

JPRS-EER-89-033
27 MARCH 1989



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JPRS Report

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JPRS-EER-89-033

CONTENTS

27 MARCH 1989

POLITICAL

CZECHOSLOVAKIA

Youth Paper Considers Slovakia's Long-Term Prospects [SMENA 30 Dec]	1
Palach Anniversary Demonstrations Denounced [TRIBUNA 25 Jan]	3
National Front Suggested as Medium for Dialogue [RUDE PRAVO 27 Jan]	5
Northern Bohemia Experiences Air Pollution Emergency [LIDOVA DEMOKRACIE 2 Feb]	6

GERMAN DEMOCRATIC REPUBLIC

Differentiated Socialist Development Examined [EINHEIT Jan]	8
Class Concept, Peaceful Coexistence Seen in Harmony [EINHEIT Jan]	11
EINHEIT Summaries of Selected Articles in Jan 1989 Issue [EINHEIT Jan]	15

POLAND

Catholic 'Laborem Exercens' Foundation Goals Described [ZYCIE WARSZAWY 4 Jan]	17
Legnica Experiment: Less Party Interference, POP Role Increases [ZYCIE PARTII 25 Jan]	18
Party Activities Calendar 1-15 January 1989 [ZYCIE PARTII 25 Jan]	21
PZPR Voivodship Plenums: Party Weaknesses, Slow Reform Tempo	23
Concrete Reform Solutions [TRYBUNA LUDU 7-8 Jan]	23
Call to Party Defense [TRYBUNA LUDU 7-8 Jan]	24
Boisterous Meeting in Lublin [TRYBUNA LUDU 10 Jan]	25

ECONOMIC

INTRABLOC

Housing Funding for CEMA Nations Compared [East Berlin ARCHITEKTUR DER DDR Dec]	26
---	----

GERMAN DEMOCRATIC REPUBLIC

Consumer Goods Subject to Export Controls, Duties [Frankfurt/Main FRANKFURTER ALLGEMEINE 10 Feb]	27
Dichotomy of Market, Planned Economies Discussed [EINHEIT Jan]	28

HUNGARY

Ganz Danubius Troubles Discussed [NEPSZAVA 16 Jan]	35
Budget Reform Guidelines Outlined [FIGYELO 26 Jan]	37

SOCIAL

POLAND

Educator on Youth Values, Needs in Emerging Pluralism [KONFRONTACJE Jan]	41
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CZECHOSLOVAKIA

Youth Paper Considers Slovakia's Long-Term Prospects

24000077 Bratislava SMENA in Slovak 30 Dec 88 p 3

[Article on an interview with Eng Eduard Sarmir and Eng Jozef Markus by Emil Slovak: "Slovakia at a Crossroads"; date and place not given]

[Text] I said to myself that I should ask them about the future, but then my question may strike them as unprofessional and incompetent. And yet, how else can one start a conversation about Slovakia's future on the threshold of the third millennium than by following the way our economic forecasters and many other experts view that notion which has its place in poetry as much as in economy, and of course, also in the development of society and of the individuals in it.

We may try to answer the question how much water, milk or other beverages will a person consume in the year 2000 or 2010, how many miles of roads and how many passenger automobiles will we need, whether we would want to live in larger or smaller apartments, whether we shall communicate with other people by computers, or whether we shall walk to meet with them—all that and many other things may be more or less calculated or projected by mathematical, statistical and other methods. And yet... The most fundamental and decisive issue for prognostic studies is to operate like radar rays and to come as close as possible in defining and portraying man in his often immeasurable dimensions and qualities. The moment of decision calls for knowing the kind of man for whom to manufacture, build and create. And if we know at least some of that answer, it may be easier for us to plan more accurately and to create an environment for the future life of our people. What preconditions, capacities and qualities will our man need to meet in the year 2000 or 2010? Those years are, as the saying goes, already knocking at the door.

In many ways the future has already begun, and yet, it is not predetermined; it depends on our attitudes, decisions, assumptions, wishes and on the most realistic prognoses.

With this in mind, we began our discussion about "The Summary Forecast of the Scientific, Technical, Economic and Social Development of the SSR to the Year 2010" with Eng Eduard Sarmir, the director of the Institute for Summary Forecasting of the SSR at the Economic Institute of the SAV [Slovak Academy of Sciences], and with Eng Jozef Markus, the coordinator of the main research task whose topic was the "Summary Forecast for the SSR to the Year 2010."

In the past decades we often lacked an accurate scientific view, based on fact and research, outlining the future development of our country and society. The consequent damages in some instances were not—and are not—

negligible; for example, our industry and housing construction were frequently expanded to the detriment of our countryside; land was ruthlessly appropriated to the detriment of purity of air and water—and now we have to pay the piper, if it still is at all possible to correct and mitigate the damages we have inflicted upon ourselves.

We are approaching the year 2000 and the other of which we speak—the year 2010. How shall we face them? In more than one area it has already happened: many citizens of the year 2000 already live, travel and walk among us.

And yet we cannot—and would not—shut our eyes before the near and more distant future. That was one of the reasons that prompted the SSR government to issue decision No 46/1988 instructing the SAV chairman to present before the end of November 1988 the final version of "The Summary Forecast of the Scientific, Technological, Economic and Social Development of the SSR to Year 2010." "The Summary Forecast" concludes the first cycle of systematic prognostic studies in Slovakia initiated by decision of the CSSR government No 10/1983 and by decision of the SSR government No 2/1983.

Eng Jozef Markus characterized the document as follows:

"'The Summary Forecast' represents a free scientific statement on the long-range direction of Slovakia. This scientific study was compiled on the basis of several scientific disciplines—not only of economics and other social sciences, but also of natural and technical sciences. It is addressed to our politicians and in the final analysis, to every citizen of Slovakia."

The topic of our conversation is not symbolic; its essence is expressed by the whole "Summary Forecast."

Eng Jozef Markus: "One of the principal ideas presented in the conclusion of 'The Summary Forecast' maintains that at a certain moment every country—in our case, Slovakia and Czechoslovakia—finds itself at a crossroads, in a fateful spot. Indeed, at present we are facing a situation which objectively is a historical crossroads."

"In our case, two diverse roads lead to the future. One shows that if we tolerate any inertia in our economic, social and political structures, we shall go downhill. First, we shall experience relative regression behind comparable countries, and then we shall reach the bottom. The other alternative is a breakthrough—the restructuring. In terms of economic structures alone, we must overcome traditional industrialism which leads to dead-end situations, for example, in ecology (which has lately become the decisive area for our further progress and life). Therefore, in the conditions of the SSR and CSSR, other structures must be created in our economy, in a narrower sense of that word. In brief: Economy must become more informative, intellectual, and of course,

international. In essence, this concerns the introduction of new information technologies and modernization of the telecommunications and information networks. Intellectualization means an increased share of highly skilled work across the whole range of our national socioeconomic activities. By internationalization we understand an effective, functional opening of Slovakia to the world."

"The Summary Forecast" is not obligatory in the sense that someone (for example, industry, agriculture, etc.) may find his own task precisely outlined in it, but it is obligatory in the sense that in it we literally discover certain inevitable trends, and we must take them seriously if we want to avoid backsliding into crises that would lead to disastrous consequences.

"The Summary Forecast" draws, among other things, the following conclusions:

"From several points of view, the international correlations and conditions for our future development over the next 20 years appear favorable. Let us mention above all the process of the radical social restructuring in the USSR and in some other socialist countries, which is connected with the restructuring of the relations within the socialist community; but let us also note the interest of the advanced capitalist states in cooperation with the socialist states."

The premise from which we proceed is like a coin, but we must not be interested in its face alone but also in its flip side. We must be mindful of that so that we may fully understand the many ideas, statements and solutions which "The Summary Forecast" reaches in its conclusion:

The conclusion notes that our country can come to grips with its current complex socioeconomic conditions; however, at this time we are at a turning point.

"Toward the end of the 1980's, Slovakia stands once again at a historical crossroads. Internal and external factors and correlations have rendered any further progress impossible without a profound social breakthrough, without a radical restructuring of society and its overall qualitative change."

Which direction should we choose?: If we look at the future through the eyes and conclusions of "The Summary Forecast," the SSR and CSSR have two options:

—The authors of "The Summary Forecast" say that a fundamental structural redirection is imperative, and that it must begin with radical changes of the socioeconomic structures and with the method of their formation; or ...

—Any delay of such a radical solution may lead to a vicious circle (which has already happened in some socialist countries). An extensive, foolhardy imbalance

hinders the launching of the economic reform; if we do not tackle the causes of that imbalance and deal only with its consequences, the result will be a crisis.

This calls for a serious social "cut" which has not been done easily and without controversies in any country. In Slovakia's conditions, some imbalances may at first temporarily increase, but at the same time, the socioeconomic forces must be marshaled to restore a balance on a higher level—under the provision that creativity and determination go hand in hand with solutions of major social problems.

In other words, if we delay more radical solutions and fail to implement them, we shall slide into stagnation and decline.

The purpose of the long-range radical solution and forecast in the actual situation of Slovakia was to outline and chart the course where the two qualitatively diverse roads of development lead (or may lead). Precisely they establish the framework and limits for our potential future development.

Why is it imperative for us to adopt the radical solution we have mentioned? No society can be thoroughly restructured without its complete qualitative change. This effort will require not a day, but decades of work on the foundations of our socialist society and in the best interest of the SSR's and CSSR's socialist development.

Let us ask how "The Summary Forecast" looks at our young generation. This part of our society will start taking over the leadership of our society exactly at the beginning of the third millennium. Is it adequately prepared for the future by the family, by children's and youth organizations, by the direction of training and education of young personalities and their professional preparation? Are we doing everything already now, so that our boys and girls do not feel helpless when they begin to live and work on their own, precisely because of the so often strongly felt dichotomy between school and life?

Our discussion with Eng Eduard Sarmir and Eng Jozef Markus turned to education and training of our young generation and to the apathy of some of our own young people.

Eng Eduard Sarmir: "In the beginning of the conclusion of 'The Summary Forecast' we noted that the future progress of our society depends on man, particularly on the young individual formed by our society. because all new methods and mechanisms of work will miss their goal and fall by the wayside, if our young individual has no feeling for them and if he rejects them."

Are we training our children, pupils, apprentices, high school and college students with foresight and awareness of purpose so that they may hold their own and meet the challenges of the future which may impose on them far

more demands than the present? Will there be no repetition of the situation in which, for example, college graduates are finding themselves now, as they begin to work.

Eng Jozef Markus: "In 'The Summary Forecast' we also deal with young people in chapters dealing with our training and educational system. As we see the forecast, the year 2010 provides, in the first place, a perspective for a look at the processes of development, although that particular year is not a turning point. We do not intend to paint an accurate picture of the year 2010, but we want to understand and present human life and problems the way they look—from the viewpoint of that year—to our time, and to explain what must be done already now to shape our future the way we want it.

In this respect, the educational and training system is decisive precisely for its long-range effects. In other words: If we want it to produce good results and to operate smoothly 10 or 15 years hence, we must intervene and reshape it at this particular time."

Eng Eduard Sarmir: "I should like to add a methodological idea to what was said. The forecast for a 20-year period may be interesting as a source of information; however, it is absolutely necessary—and in my opinion, even inevitable—that we comprehend our current period in a certain sense because we may learn from it where to focus various plans. I think that the future (prognostically processed) is for us an essential criterion for our analyses, so that we may answer already now the question whether we are doing well or not. Some forecasters even maintain that they are not so much interested in the prognosis for the sake of the future but for the sake of the present. In other words, if we fail to train our young people now, at present, and to guide them in the right direction, many serious problems may crop up in the future, because in the year 2000 these young people will be in charge of our society. This exactly is the reason why so much depends on our educational and training system; nevertheless, far broader issues are involved here, such as the attitude of a young person to work. If young people have confidence in their future, they will demonstrate great initiative in the work process; if they have no trust in their future, they become apathetic. In a certain sense of the word, such phenomena may not be witnessed in our country alone; in different forms, they are evident in the apathy, and to some degree, in social alienation also in the most advanced capitalist countries which, too, are finding themselves, as it were, at a crossroads. Let us mention, for instance, drug addiction. Such phenomena have also begun to appear in our country and are now in evidence; in addition, they go hand in glove with a negative attitude to work and with consequent distrust of some young people toward socio-political developments."

The best possible method cannot be successful enough without our concern and our participation. The urgency of the forecast of our development, as viewed by our

economists and other experts, is not a binding document, but it offers some food for thought and decision-making. Nevertheless, by the same token it should be noted that "The Summary Forecast" is not a book that can be easily put away and stashed in a drawer or a bookcase. Its deductions and conclusions describe the situation in which our economy as well as our society—and thus, each one of us—have found themselves in the Czechoslovak and Central European context, in the context of the economies and life of the socialist countries and of our association with the European nations.

"The Summary Forecast" not only notes but also warns that Slovakia has found itself at a crossroads! (And naturally, we may project this fact with some specifications to all of the CSSR). This is precisely the reason why it stresses that the restructuring is not—and cannot be—a matter of concern for an individual; its success depends practically on our whole society.

The time of decision has come! Today we are able to make our own decision on the basis of reliable data from many scientific disciplines. We cannot remain standing or dragging our feet on the same spot for a long time—we are at a crossroads!

Palach Anniversary Demonstrations Denounced 24000076 Prague TRIBUNA in Czech 25 Jan 89 p 2

[Article by Robert Dengler: "We Got Some Experience!"]

[Text] After a series of actions organized by antisocialist forces, people are asking: What were their organizers aiming at? Hasn't there been too much bluffing and perhaps also promotion meant to recruit participants, since the organizers amount to only a few dozen? If so, isn't the aggravation of our public groundless?

I shall offer a couple of answers for your consideration.

The organizers from the so-called independent groups, or rather, from "Charter 77," call themselves social initiative and demand a dialogue about democracy in our country. At first sight, the representatives of such illegal groups propose a colorful range of views for "discussion." However, if we take a close look at their proposal, their demands concerning some relevant social issues (for example, ecology), to which our party and state institutions have long ago called attention and for which they also have taken specific measures, criticize our system in a negative way and directly attack the pillars of our socialist society.

One of their postulates, for instance, is renewal of private ownership and establishment of "independent" trade unions, communications media, publishing houses and other "independent" institutions. Next, they will undoubtedly clamor (as shown by our past experience

from the years of crisis and by a number of statements made by various emigres) that private capital be guaranteed the dominant role in our country.

Even at present these forces make no secret of their efforts to discredit Czechoslovak Security Corps and People's Militia. Their tactics are repetitions of those pursued in 1968, when this strategy served as the main policy of the right-wing forces.

Nevertheless, the organizers of provocations consider it their foremost task to strip the CPCZ of its leading role in our society. Naturally, they do not care to eradicate bureaucracy and formalism; they intend to abolish that fundamental principle [of the CPCZ's leading role]. For example, the so-called Movement for Civic Freedom in Slovakia bluntly extorts the newly organized Czechoslovak Public Committee for Human Rights and Humanitarian Cooperation with its demand to confirm the movement's independence by an "open declaration that the party's leading role and the ensuing practices are irreconcilable with the charters on human rights and with the agreement prohibiting discrimination in employment... In our view, only one conclusion may be drawn from the current situation: The leading role in our state must not be reserved for the communist party."

This intent and goal fully conform with the plans of the imperialist anticommunist center which indubitably also inspired them. For instance, already in its edition of 24-25 September 1988, the publication THE INTERNATIONAL HERALD TRIBUNE wrote: "We must encourage reforms (in socialist states—R.D.'s note) that are the least reversible and that will gradually weaken the authoritarian structures of political power... The current system will break down only when it becomes obsolete. The objective of Western policies must be to render it obsolete." Such an overt instruction needs no comment. Its "translation" is obvious.

And should we let some of our young people get organized to gradually subvert our republic? Should the slogan coined by Vaclav Havel, one of the organizers of the "Charter" and of illegal gatherings, be carried out with the help of our youth? It was Havel who wrote that "everyone has the same right to compete for political power." If nothing more, let us consider who and how produces some mechanism in capitalism that would enable "everyone to compete freely (and fairly) for power."

Now something about "much ado" around the provocations. I do not think that most people would identify the manipulated part of the participants with the organizers. A 17-year-old kid does not fight for power, but he can help create a disturbance, an appearance of chaos, and impression that "anything goes," and even uncertainty about the ways to react. He can help create an impression of "mass support" for the organizers, and prevent clear-cut differentiation of such antisocialist elements and individuals who have lost the ability to think rationally,

possibly under psychological pressures of the subversive information network, and who may feel that "I've got to go there because something is going on." As they admitted, many young people had participated because it was "exciting" and "fun."

However, let us note that the organizers who are trying to subvert our republic were not planning to have fun or excitement. They pursued a strategy according to which the interest of society equals the interest of those who can scream louder and more brazenly. And there the inexperienced, manipulable young people serve as the most suitable "material." One of the Chartist spoke about it quite bluntly on a Voice of America program, alleging that these youngsters are "political spokesmen for their generation."

Yet another aspect of those "repeated demonstrations" should not be overlooked. Precisely at that time, the CSCE was about to conclude its regular session in Vienna. Foreign ideological centers and some foreign ministers of the capitalist states needed new materials in order to slander the CSSR and to demonstrate how undemocratic regime rules in our country, and that our government's signature on the final document "cannot be trusted."

It does not take a great politician to figure out how individual parts of this scenario neatly fit together and how everything has been planned and prepared in advance so that the actions of such illegal groups could be interpreted in the West as spontaneous acts of "resistance against the communist regime in the CSSR."

In recent days a number of agencies, labor teams, and individuals who condemned the provocative actions of the antisocialist forces expressed in their statements their incontestable position: Stop the antisocialist acts and their organizers once and for all! We will not permit anyone to subvert our republic!

Nevertheless, we would be shortsighted if we would feel satisfied with nothing more than condemnations of the provocations and of their organizers. When we associate them with "antisocialist elements," we must not forget that those manipulated young people in Wenceslaw Square or in any place where they do not carry on so openly, are our sons and daughters. Let us ask at home, in school, in the workplace, in the training institution: What did compel them to turn into a manipulated mob? Was it their craving for excitement or some other impulse? We must ask them when they may be more open to a dialogue and not when they are huddled together in a crowd. A girl answered a television poll—in my opinion, correctly: "Some young kids never get a word of kindness and explanation." And let us add: A timely word and kind treatment, a word from grown-ups, a gesture from grown-ups. Young people must realize that involvement brings success and boredom nothing but trouble, and that inertia leads nowhere.

Moreover, it should be pointed out that aggressive behavior and provocations did not occur suddenly in Prague last year. All kinds of shouts and crude invective have been heard already in the past, for instance, in football stadiums, because we tolerated for quite a while the problem of violence, vulgarity, arrogance and insolence toward decent people.

Thus, we have gained some experience and we also realize what to do to support socialism and the interests of all honest and decent people.

National Front Suggested as Medium for Dialogue
24000081 Prague RUDE PRAVO in Czech
27 Jan 89 p 1

[Editorial: "Dialogue—With Whom and About What"]

[Text] As we witnessed the confrontations of antisocialist groups with our state power in recent days, many people were wondering: "Where do they belong?" and also "Where are we going?" "What are we striving for?" and "What are we defending?"

There are some citizens who are intrinsically united not only with this country as their homeland, but also with our socialist state as the achievement of social struggles waged by many generations. They respect socialist values and their program calls for the building of our society, not for its destruction.

However, there are citizens who are keeping their distance from any involvement in the efforts of our society without adopting a hostile attitude to it.

Naturally, there are overt, dedicated opponents of socialism.

There are people who were following with great concern the events that were taking place in Wenceslas Square and which went entirely against the grain of our time.

There are people who in one way or another make no secret of their support for such demonstrations.

There are people who categorically demanded that the demonstrations be stopped with force.

There are people who did not approve of the intervention by the forces of public order.

There are doubts about whether the intervention against the demonstrators was a sign of weakness or of power, of decisiveness or indecision.

Without going into details about such considerations, it is a fact that in an orderly society everyone must obey laws, and that citizens have the right to live in peace, security and order. At moments when the state power is

confronted with an "incited mob," it is difficult to heed the proverb that a calm word is mightier than a sword. That situation allows no place for dialogue.

However, dialogue—public dialogue among citizens—is an objective factor of our life and of the restructuring of our society. Citizens who are sincerely concerned about the progress of socialism and who welcome the process of the restructuring are seeking a place where they may be involved in this historical moment. In what way?

Let us be frank and say that this public dialogue involves also many of the demonstrators. It would be wrong to equate all of them with the organizers of antisocialist actions. Our society wants to bring together on its socialist platform as many honest citizens of our republic as possible, and in particular, it wants to include our young people, even those who have let themselves be led astray either because they were naive and lacked experience in life, or because they craved adventure and excitement.

In view of the social stratification of our society, we should never forget that among us live groups of people who despise socialism and who thirst for their class revenge for February 1984. They did not keep it secret 20 years ago, and they make no secret about it today when they believe that they can stand a chance of exploiting the restructuring and democratization. However, on many occasions it was said without equivocation that we identify pluralism of interests and opinions of which we now speak with our socialist state and that it can have nothing in common with the formation and activities of antisocialist structures. There is no return to the pre-February situation, much less so to the conditions of the bourgeois republic. All those who want to turn back the course of our country's history should realize this fact. Earlier this year the antisocialist forces actually tried to exert such pressure. It was impossible to just stand by and watch them.

At its meeting on Tuesday, the presidium of the central committee of the CSSR's National Front emphasized that the intensification of socialist democracy must not be understood as anarchy. Laws apply to everyone in our country and their violations will not be tolerated. At the same time, the presidium outlined the way to a better life in our country. From its report we quote:

"Solutions to our problems and increasingly better and more thorough satisfaction of our citizens' interests and needs may be achieved only if the restructuring is consistently implemented in every area of our public life, by honest work in every workplace, and by an unyielding attitude toward the still persisting shortcomings and bureaucracy. All this cannot be done without good organization, discipline and order, and without greater authority and supremacy of the law. This is an essential precondition for the further development of democracy, legality, freedom, and social welfare for all our citizens."

In this context, we must recognize that any arbitrary and anarchist acts in fact jeopardize the process of restructuring and democratization. In what respect? We regard the program of restructuring, initiated by the 17th Congress and planned at several meetings of the CPCZ's Central Committee, as permanent, and the process of restructuring as irreversible. Nevertheless, that is not enough. The important thing is to implement it on every level, in the center as much as in krajs, okreses and communities. We do not harbor any illusions that everywhere, in every community people are enthusiastic about the restructuring.

On the other hand, the event on Wenceslas Square are grist to the mill of those who prefer the old way of thinking and the bureaucratic methods of administration.

The process of restructuring in itself is far from simple; understandably, it poses many new problems at present and will pose them in the future. This is evident in the factories that follow this year new methods and new mechanisms in some of their operations, and in others, they work the old way, and thus, they must learn how to operate and manufacture under such conditions during this unavoidable period of transition. Everywhere—in our party, in the organizations of the National Front, in national committees—we are learning to think and work according to the new way; we are seeking the most advantageous methods; we are experimenting with elections of our officials from a slate of several candidates; we are testing the efficacy of competition, organization and public discussion on individual problems—simply, our society has started to move. We are gaining new experience and new perspectives. For most people these perspectives are thoroughly socialist, and none other.

A far-reaching, sincere public dialogue is an essential aspect of our socialist democracy. We believe that adequate space for its realization is provided by the platform of the National Front which can encompass all interests and needs of our people, and enable everyone to contribute according to his abilities to the creation and implementation of our policies, so that everyone may openly express his opinion on any problem and suggest alternate solutions. However, for that the National Front must be truly consistently and energetically activated; formalism and bureaucratic methods must be eradicated, initiative encouraged, and every member of its parties and organizations must be given a chance to speak his mind. Furthermore, the system of the National Front must be open and not rigid and immutable. If the situation shows the need to expand the number of special interest organizations intending to function within the National Front—which of course always meant and always will mean according to the principles of socialism—nothing will stand in their way. From recent experience we know that, for example, environmental protection associations have joined the National Front.

If we speak of public dialogue and socialist plurality of views, it does not indicate that we are subservient to anyone or that we are trying to ride the crest of some new "faddish" wave. Dialogue is the law of life. In it the views are honed, experience gained, vague issues clarified, the accuracy of our decisions tested, and thus, it helps us unify our forces. It is part of the process which enhances democracy and the effort to create a wholesome atmosphere on every level, in every agency and organization and in every community, and to conduct public dialogue and an exchange of views, no matter how different they may be. However, our fundamental interest in the progress of our socialist society and in our socialist future must unite us.

Northern Bohemia Experiences Air Pollution Emergency

24000075 Prague LIDOVA DEMOKRACIE in Czech
2 Feb 89 p 3

[Article by (jp): "Air Pollution and Its Consequences"]

[Text] Since 18 January, Usti nad Labem, the regional capital of the North Bohemia Kraj, has been constantly enveloped in a fog. With the fog, children disappeared from the sidewalks, and people with anxious faces are rushing in the streets. Why? They are concerned about their health, because after a sophisticated forecast signal system has been introduced, our public promptly learns of the deteriorating conditions of smog caused by increased concentrations of sulfur dioxide and other pollutants in the atmosphere. However, the emergency measures recommended for the protection of our citizens' health have led to a near panic: Can one still breathe here?

The situation turned even more chaotic because some reports by our communications media tried to stir up a commotion with their thoughtless criticism. Therefore, we cannot be surprised at the reluctance with which information is made available to the press. However, factual reports and explanation of the emergency measures may help our public recognize the seriousness of the situation and understand the attempts on the part of the municipal national committee to control it; and last but not least, it may help dispel the needless feelings of anxiety. For that reason, we offer our readers this information about the facts we have ascertained. On Tuesday, 31 January, and Wednesday, 1 February 1989, the conditions in randomly selected locations and areas of human activity in Usti nad Labem appeared as follows:

As after every report about worsened conditions by meteorologists, the staff for meteorological observations, organized in 1987 by the decision of the council of the national committee in Usti nad Labem, met at 7:30 am. Expert assessments of the situation were followed by an evaluation of the efficacy of the introduced measures and of the information offered to the public, and by proposals for further improvement. Nevertheless, thus far the concentration of the pollutants in the atmosphere

has not reached a level at which it would be necessary, for instance, to restrict automobile transportation. However, an announcement which in an emergency would introduce measures restricting transportation in the city is now being prepared for public discussion. In this context, it is noteworthy that at least 10 buses were replaced by trolleybuses which under the existing conditions distinctly reduce exhaust gases, particularly in the city center which is situated in a valley.

Another measure may stop or restrict certain industrial operations in the city and suburbs, but thus far the conditions of the pollution have not warranted it. And the forecast? For the time being, the fog will continue, possibly with some improvement on Friday. Therefore, public emergency regulations remain in force.

A pleasant female voice on telephone line 118 reads the weather report for the North Bohemia Kraj. In recent days this particular line has been constantly busy. The callers are probably not overly eager to learn average temperatures reported two days ago in Usti nad Labem, or the water conditions in the river, or the changes in frontal disturbances over the territory of the North Bohemia Kraj. To their disappointment, the 3-minute weather report accords no more than three sentences to weather conditions: it confirms that the same conditions will continue, and announces that the emergency measures will be applied according to local conditions. However, updated information is now under consideration for Saturday and Sunday.

Information about the air pollution should also be disseminated in the form of printed announcements which are supposed to be displayed at the entrance to grocery stores, but it should be noted that many citizens suspect that here the information is concealed. For instance, in district No 1 of Usti nad Labem (an area of 28 km square with 41 grocery stores) discrete, inconspicuous 13 x 20 cm cards are posted in only two large supermarkets. Left out from the information network is even the Labe department store with a large self-service food department. The managers of the technical department of that establishment advised us that they are able to present information in a more noticeable way because they have skilled display artists and window-dressers. Furthermore, they offered to broadcast on their public address system information about the necessary precautions in the given situation. The public address system in that department store is used, among others, by the Public Security Corps. Because the Labe store is the city's busiest commercial establishment, it certainly is worth taking advantage of its offer which may help protect public health.

Sever, a large supermarket in the centrally located Peace Square, is a self-service store in which an announcement about the deteriorating conditions of the air pollution is posted. The easily overlooked card of paper invites a comparison with the brightly colored, poster-like announcement displayed in the town of Teplice.

Also, the municipal broadcasting system in Usti nad Labem has not been used for public information, although its loudspeakers call the citizens' attention to cultural and sports events several times a day. Even the van with a loudspeaker which can be used on such occasions remains silent.

Thus, one should not be surprised if some residents of this city suspect that facts of the deteriorating atmospheric conditions are kept from them. And what is the situation facing the health services and the school system?

As all such institutions, nursery school No 17 on the outskirts, in Trmice, restricts the children's outings and ventilates its rooms for no more than 2-minute periods; the children are served fruit and vitamin-enriched snacks. Schools suspended physical education classes; there are no outdoor activities and excursions for children and the ventilation of school rooms has also been restricted.

Some district physicians report higher, others lower increases in the numbers of patients suffering from headaches, fatigue and digestive complaints. However, because at present the flu and other viral diseases are rampant, it cannot be precisely determined whether this is a harbinger of viral infections, or whether the patients' problems stem from other causes. Nevertheless, over the past few days emergency services reported that they handled approximately one-third more cases; however, it is quite possible that most of them may be attributed to psychological causes. However, no nonemergency surgery and complex tests are scheduled in children's hospitals.

Pharmacies report that the consumption of antifu drugs and vitamins has increased; soluble vitamin C is in short supply.

In conclusion, we shall present data from hygienic directives in force: Sulfur dioxide is being monitored as an indicator of air pollution. Its permissible average 24-hour concentration is 150 micrograms in one cubic meter of air; short-term, half-hour concentrations may amount to 500 micrograms. In workplaces, however, a healthy individual may be exposed to average concentrations of 5,000 micrograms of sulfur dioxide over 8 hours and human health may not be adversely affected even by 10,000 micrograms over brief periods. If the alert for emergency measures is announced as soon as the concentration of sulfur dioxide reaches 250 micrograms in one cubic meter of air, one may assume that with the currently applied measures the health of any resident—even of children, pregnant women, old people or patients suffering from circulatory or respiratory ailments—should not be impaired.

GERMAN DEMOCRATIC REPUBLIC

Differentiated Socialist Development Examined

23000098c East Berlin EINHEIT in German

Vol 44 No 1, Jan 89

(signed to press 14 Dec 88) pp 51-56

[Article by Prof Dr Otto Reinhold, member of the Socialist Unity Party Central Committee (SED CC) and rector of the SED CC's Academy for Social Sciences: "Current Problems of the Further Development of Socialism"]

[Text] Invited by the CPSU CC's Academy for Social Sciences, the Academy of Sciences of the USSR, and other science institutions of the fraternal Soviet party, 400 social scientists from 12 countries discussed current problems of the further development of socialism in Moscow from 4 to 6 October 1988. The conference started in plenary session with a speech by V. A. Medvedev, member of the Politburo and secretary of the CPSU Central Committee. Other speeches in the plenary session came from representatives of the SED [Socialist Unity Party of Germany (GDR)], the Korean Workers Party, and the CPCZ [Czechoslovak Communist Party]. Four different sections explored questions of the theory and practice of the socialist economy, of socialist democracy and the political system of socialism, of intellectual-cultural life, and of creating an international security system.

The conference was marked by an intensive experience exchange on practical and theoretical questions of the development of socialism today till the end of the century. Results achieved as well as problems and difficulties and the parties' ideas of coping with them were presented with complete frankness. Socialism, it was shown, has created enormous potentials throughout its history thus far. It has an extraordinary influence on the development in the world, reflected especially right now by the struggle for peace and detente. Since the late 1970s, however, its development has been highly differentiated. While some countries were able to ensure a dynamic economic and social development, others have shown tendencies of stagnation. Some socialist countries were late in undertaking the scientific-technical revolution and the conversion to intensive expanded reproduction, which put them behind the industrially developed capitalist countries. The fact that, as the discussion showed, not all socialist countries are in an identical situation, development being dynamic and successful in some, but stagnation not yet surmounted in others, explains differences in the parties' policies and in the ways and means of solving ripe tasks. It was generally accepted and considered an advantage that there is a growing variety in the shaping of the socialist society but no universally valid model of socialism. No one sought to impose his ideas on others.

Those who attended the conference dealt with the exceptionally big challenges of our time with a process to be coped with in which socialism develops further qualitatively: the safeguarding of peace and, with it, the survival of humanity, coping with the new stage of the scientific-technical revolution, preserving men's natural living conditions, and surmounting the backwardness of the "third world" countries. The overriding question at the conference was: How must socialism be shaped at the end of our century so it will not only maintain but be able further to consolidate its position in the world?

Seventeen GDR social scientists attended the conference. All took an active part in the discussions in their sections. They spoke about SED tactics and strategy in the further shaping of the developed socialist society in the GDR and about experiences, results, and tasks. Much space was given there to research results and theoretical insights of importance to shaping SED policy. These contributions received much attention. There were at least two reasons for that. For one thing, it could be assumed that the turn to intensive expanded reproduction had been made in the GDR and dynamic economic and social development was assured also for the 1980's. Far-reaching structural changes became reality, the scientific-technical progress was speeded up and, above all, the integration of economic and social policies was rigorously enforced. Then also, the ideas the GDR social scientists presented relied on practical examinations of the real processes occurring in our country. They are aimed at constructively settling the challenges and tasks of today and tomorrow.

In his introductory speech, V. A. Medvedev pointed to the conclusions the CPSU had drawn from analyzing the development of previous years for the Soviet Union, that a serious restructuring was needed of the economy, the political system, and all of public life. For that a conception of socialism was needed that goes beyond the turn of the century. V. A. Medvedev summarized in five points the results thus far of the considerations for the further development of socialism in the USSR as to the CPSU resolutions since the CPSU Central Committee plenum in April 1985: First, it mattered, according to the concept of socialism by the classic authors of Marxism-Leninism, not simply to copy their theoretical positions, but to apply them and creatively develop them further in accordance with the concrete historical conditions in the various countries. The transition to the NEP [New Economic Policy], for instance, had marked a decisive change in Lenin's image of socialism when he realized that the previously used forms of socialist construction were no longer efficient. The thesis that in the Soviet Union the developed socialist society was already in place had been extremely harmful—in that practical life, after all, did not as yet allow such a penetrating conclusion. That thesis only had brought it about that newly ripened questions had not been responded to and solved in time.

Second, it would be necessary thoroughly to analyze the processes of reconstruction and its contradictions and

work out acceptable conclusions. Here it turned out the social scientists of the Soviet Union were not properly prepared for these new demands. Vast areas of what they were doing were marked by general theorizing and not by being in close touch with life. The great number of manifestations and changes made it necessary to answer mainly those questions that have been put on the agenda by the social development of today and tomorrow.

Third, all socialist countries' experiences fed the theoretical conception of socialism. This variety had risen greatly in recent years, a perfectly natural process. These experiences had shown that socialism develops under most different conditions. It resulted in the need to study more thoroughly still the variety of experiences and ways in the construction of the socialist social order and to learn from one another. Equally necessary was to rely on the experiences of mankind at large in answering the new challenges. Socialism should have to make use of everything positive produced thus far by humanity. That held true for the development of the merchandise-monetary relations, the fight for democratic rights, and also for coping with social problems.

Fourth, it was important to give much new thought to the economic field. The CPSU was seeking many new forms of socialist property. New forms of socialist property were tenantry, the brigade contracts, and the development of cooperatives in agriculture and other economic sectors. The Soviet Union had stopped underrating the merchandise-monetary relations and the role of the market. Still, using the market in socialism was not possible without central management. What constituted today a value of experience for all socialist countries was that the socialist economy could not do without central management in coping with the scientific-technical revolution and the revolutionary transformation of the productive forces. One should completely overcome still lingering illusions that socialist production relations would more or less automatically boost the productive forces.

Fifth, one was trying on the Soviet Union to refurbish the political system. That included a socialist pluralism of opinions and setting up mechanisms that overcome bureaucratic tendencies and guarantee an active, broad participation by all working people. Especially necessary was an accurate knowledge of the real interests of all classes and strata, all groups of the population, and to take that into account in politics. For the development of the social structure in the Soviet Union oversimplified ideas had had very detrimental effects, which applied above all to the thesis of the social equality of all classes and strata. There were all sorts of objectively and subjectively conditioned differences of interests here.

Important changes also were necessary in party activity. For one thing that pertained to the demarcation of responsibility areas as between the party and the state and then, to the spreading of democracy in the party,

which would have to continue to be the leading force. At the same time, frank discussion should have to be linked with the struggle against any attempts to use this process against socialism.

Challenges of the Scientific-Technical Revolution

The centerpiece of the section dealing with the problems in the theory and practice of the socialist economy mainly concerned questions of productive forces development, of the further development of socialist property, of the merchandise-monetary relations and the market, of enforcing the socialist performance principle, and of creating a new management mechanism and of the use made of the labor potential.

The dialectics of productive forces and production relations is of extraordinary importance for the further shaping of socialist society. The need to fashion socialist production relations in such a way that they take effect, in the Marxist sense, as impulse and form of motion for the development of the productive forces is controversial. The practical approach to this dialectics brings out differences in ideas and policies, however. About that there evidently are two different conceptions in socialist society today. Some countries seek to make changes in the forms of socialist property, to boost the working people's democratic activities, to develop market relations, to create conditions for competition in the economy, or to make changes in distribution, all with the idea of providing rapid productive forces development, a broad application of modern science and technology, and improved economic efficiency.

The other method of approach, which is the one the SED also follows, is marked by that first of all there has to be a clear understanding of the character, the ways and means and priorities of scientific-technical progress in a given country in order to shape socialist production relations purposefully and effectively. The point is steadily further to develop and perfect the production relations so that they will meet better and better and ever more comprehensively their role as the decisive impulse for productive forces development through the proper connection of overall social with the people's personal and collective interests, through the unity between central state management and planning and the working people's broadest democratic participation in social decisionmaking and managerial processes, and through fostering the performance will, initiative, and democratic commitment of the citizens. The scientific-technical revolution changes the character of technology in many respects today. A new step is attained in the process of production socialization and in economic relations, the character of labor is changing significantly and so forth. Our party has been paying the greatest attention in this connection to precisely determining those modern key technologies that are decisive for the GDR and for international cooperation.

This current and future development of the modern productive forces crucially determines the demands made on the socialist production relations, which always are human relations, on shaping the working and living processes, changing in their social content and effects, and on the conditions and forms of the working people's partnership in working, planning, and governing. The structure and forms of socialist property, the relation between plan and market, and the economic management and planning system have to conform with these requirements. There are inseparable interrelations between the scientific-technical revolution and intensive expanded reproduction. Yet you can create an efficient economic management and planning system only when you accurately know the inevitabilities and economic conditions for intensive expanded reproduction. Autonomy, in-house accountability of the economic units, can lead to high economic efficiency only when the economic structure undergoing change creates the requisite material-technical prerequisites for it. At the same time, the party leadership, its clear orientation to the people's well-being and its confident link with the people, as well as the mass initiative, boosted by material and moral incentives, must create the subjective conditions for it. Many contributions to the discussions, however, paid no or only slight attention to the problems of the scientific-technical revolution.

In connection with the questions about the further shaping of socialist property, many speakers commented on the thesis that the previous forms of state property had led to an alienation by the working people from the means of production and had held back motivation for high achievements. Many countries are making great efforts to find the structural forms of socialist property that would cause the working people to get busier and boost motivation and performance. Speakers in the discussion from Poland, the Soviet Union and Hungary pointed out that all reforms initiated or carried out in recent years had, with all the positive changes, not yet made a noticeable change in the socioeconomic development of their countries and that economic reforms caused new social contradictions. Inflation in some socialist countries would serve as an example for it.

The section dealing with the democratic shaping of public life and the ensuring of socialist legality gave much thought to the matters of deepening the trust between party and people, of the historic formation of the political system, the consolidation of socialist legality and the fight against bureaucratism, as much as of the tasks for the development of the political system of socialism in the present and future. While in the contributions from many Soviet social scientists the emphasis was placed on criticizing past violations of socialist legality, some stressed the considerations of how socialist democracy is to be developed further constructively.

The Party's Leadership Role

The party's leadership role received much attention from many speakers in the discussion. Most thought the party

tasks would further grow during the continued development of socialist democracy. The party should have to adapt to that through its own development. It should have to be capable of reacting in time and rapidly to the conditions undergoing dynamic change and of involving the working people broadly in decisionmaking and the implementation of new tasks. Particularly under prevailing conditions it would be necessary to surmount as fast as possible passive, reluctant attitudes.

An important role in the discussion attached to the fact that in socialist society many diversified interests are at work, objectively conditioned by the different positions of classes, strata, groups, sexes and so forth. A key issue in the shaping of socialist democracy is to pay attention and articulate these distinct interests while making them prevail in practice, within the framework of and in harmony with the overall social interests. The GDR representatives pointed out in this context that these distinct interests have long been taken account of and regarded as normal, legitimate manifestations in SED policy, and have been promoted and helped to develop so long as they are important impulses. Among other things, that is reflected by the fact that there are circa 200 public organizations in the GDR expressing these various interests and seeking to make them stick.

The great role intellectual life plays for successfully shaping socialist society, especially for enhancing conscious mass activity, was emphasized in the section dealing with the tasks for the further perfecting of intellectual life and of the mode of living. Attendants from the Soviet Union and some other socialist countries critically remarked that in their countries the mechanisms and structures of intellectual life did not meet current demands. Some discussion contributions lacked any analysis, however, of the concrete contemporary intellectual situation; they came without a conceptualization of the main trends of intellectual life as derived from practical requirements. For example, the relations between the scientific-technical revolution and intellectual life and the concomitant novel manifestations in bourgeois ideology played but a slight role in them.

Much was said about pluralism in socialist society. Differences of opinions came up. Some speakers talked of the congruence of the concepts of pluralism and variety. They talked of a pluralism of the forms of socialist property, a pluralism of classes and strata in socialism, a pluralism of interests all the way to the pluralism of opinions. That was opposed by, mainly, two arguments. For one thing the point was made that identifying pluralism with manifestations of variety in the various domains of life depleted the concept of meaning and there was no way to understand why variety should everywhere be renamed pluralism. Furthermore, the most important reluctance would stem from the fact that the concept of pluralism has long been employed by bourgeois and social-reformist ideologues

and politicians who—so far as they relate it to socialism—normally tie it in with antisocialist, oppositional conceptions and organizations.

Vivid debate broke out in that section among the Soviet attendants about what to make of USSR history thus far. While some were of the opinion that the outcome of the development of the Soviet Union thus far was merely a deformed socialist society, with the Marxist-Leninist theory stagnating since the 1930s, others opposed that view and pointed above all to the objective conditions of our time, especially to the tough and sacrificial conflicts with imperialism. It was justifiably shown that the development of socialism in the USSR was marked not only by mistakes, but also by the massive heroism and sacrifice of millions. What with all the tragedy of this developmental phase in the history of the Soviet Union, once should not forget that even at that time socialist society was being erected.

In Harmony With the Interests of Mankind

The century of discussion in the section dealing with "creating an international security system" was occupied by the questions of peaceful coexistence under prevailing conditions, the dialogue policy, international cooperation and the contest between the systems, and socialist economic integration and ideological confrontation.

The most far-reaching agreement pertained to the need for new political thought and action in international relations, socialism's growing responsibility for further international development, the altered place value of the question of war or peace, the struggle for an international security system, the need for a broader policy of dialogue, and the backing for still more activating the effort to continue the disarmament process and the bringing about of a permanent change in international relations. Many contributions also called attention to questions in need of further work, like the dialectics between the human universals and the class-bound, between peaceful coexistence and class conflict, and between the competition and cooperation of the systems. That also included problems of the internal development of socialism, of forming international trust and an international order of law, of the potentials of non-Marxist thought today, the integration of CEMA, and the international division of labor.

Not only do the developmental processes of socialism and capitalism proceed side by side, they also affect each other. The point was made in the discussion that we are dealing here with the dialectics between the fight of opposites and the unity of our world. The two social systems could not converge, each system developed on its own socioeconomic principles, its inevitabilities. But at the same time their cooperation was needed for solving important human problems. That common tasks for the survival of mankind had to be solved, however, was not in contradiction to class interests. The class interests of socialism, as was brought out, play the

crucial role in the socialist countries' policy, and there was no contradiction between them and the elemental interests of humanity, but conformity. The long juxtaposition of the two systems and the need to solve problems of humanity jointly was the reason for the needed new approach to the relations between us.

The new situation in the world makes it all the more necessary in the confrontation with imperialism—so was the unanimous opinion—to display the advantages and impulses of socialism, creatively seek answers to new questions, and draw relevant conclusions.

Class Concept, Peaceful Coexistence Seen in Harmony

*23000098b East Berlin EINHEIT in German
Vol 44 No 1, Jan 89*

(signed to press 14 Dec 88) pp 45-50

[Article by Hermann Axen, member of the Socialist Unity Party Central Committee (SED CC) Politburo and SED CC secretary for international affairs: "The Socialist Class Position and the Interests of Mankind—Peaceful Coexistence Today"]

[Text] Our socialist class position fully conforms with the interests of mankind in preserving peace and solving other global problems. With this statement at the 7th session of the Socialist Unity Party [SED] Central Committee, Comrade Erich Honecker drew our attention to a theoretical and practical question of great consequence and utmost relevance.¹

It has been established, theoretically and practically, that the working class and socialism are deeply committed to peace and peaceful efforts. This follows from the class character of the proletariat, the social content of the new social order, where, together with the workers class, the principle of labor rules, where no class or stratum cares for war and no one profits from an arms race. The essence of socialism relies, as Karl Marx put it, on the principle of labor freed from exploitation, internally, and consequently, externally, on the principle of peace.²

The Great Socialist October Revolution, which V. I. Lenin called the "proletariat's first victory" and hence, "the first victory toward the abolishing of war,"³ for the first time erected a political base for the historic working class mission through which at once the liberation from exploitation and war became inevitably linked for all of mankind. Through Lenin's peace decree, socialism in its hour of birth turned peace into the supreme precept and credo of its active socialist foreign policy.

Lenin's fundamental conception of the peaceful coexistence policy established the main line of socialist foreign policy, the democratization of international relations in terms of peace, security, equal rights, and cooperation.

In the struggle to enforce the policy of peaceful coexistence between states with differing social orders we are known to deal with a strategic task that will remain on the agenda as long as socialism and capitalism exist in juxtaposition.

The CPSU and the Soviet Union consistently championed the peaceful coexistence principle in their entire foreign policy, in Genoa and Rapallo, in the League of Nations, and in the anti-Hitler coalition. Lenin's doctrine was then constantly being further developed as the international class conflict proceeded. Initially, after the October Revolution, the struggle to enforce the peaceful coexistence between states with differing social orders meant to give the revolution a breathing spell after the bloody imperialist intervention. Thereafter it turned into a struggle to do away with militarism and war for once and all, to banish violence from the international relations among peoples and states. The peaceful coexistence concept is not a matter of tactics. In November 1920, after the Red Army victory over Wrangel, and after concluding the preliminary peace with Poland, Lenin unequivocally said "that we have not only a breathing spell but something much more serious. We are used to refer as a breathing spell to the brief interval in which the imperialist powers often had the chance again to boost their attempts of war against us.... But if we look at the conditions under which we frustrated all designs of the Russian counterrevolution and formalized peace with all western neighboring states, it becomes clear we are dealing not only with a breathing spell, but with a new era in which the foundations of our international existence are wrought within the web of the capitalist states."

Through the formation of the socialist world system, socialism, in line with its very own class interests and thus also in the interest of all mankind, has used its power and influence to make clear to the aggressive imperialist circles that their military use of force against socialism can ultimately only lead to their self-destruction.

It was of crucial importance for the failure of the imperialist circles' nuclear blackmail and gunboat policy that the Soviet Union abolished the far-reaching strategic invulnerability of the United States and, through enormous achievements and heavy sacrifices that are perceptible to this day, fought for and gained military-strategic parity. That, together with the political, economic and scientific-technical power increase in the socialist countries, their consistent peace policy, the selfless struggle of the communist and workers parties, the upsurge of the national liberation movement, and the ever more powerful peace movement, was one of the main factors why imperialism did not dare unleash another world war.

Peaceful Coexistence Became a Question of Survival for Mankind

New factors gained outstanding importance in our time. These are the novel conditions of the nuclear space age, brought about by the revolutionary development of the

productive forces. The new aspects of progress for human existence resulting from the scientific-technical revolution are developed only to a limited extent in our time because the hegemonic, militaristic wing of international monopoly capital has been misusing and is misusing the revolutionary productive forces development to develop destructive forces, ever newer and more terrible systems of mass destruction. Again one finds confirmed imposingly that the system of exploitation of man by man also has become a system for the potential eradication of man by man.

These facts impose extraordinary efforts on socialism for ensuring national defense that are then not available for the peaceful construction of the new social order. With it, this development increasingly undermines the reproduction process of the United States and of other imperialist states. Arms development has created so enormous a potential for destroying the people and our planet, so that a nuclear war cannot be conducted, let alone won. The acute danger of the further spread of chemical and nuclear weapons of mass destruction and of the rise of nuclear terrorism forces even the ones in power in imperialist states to reflect on it.

Under these conditions, the peaceful coexistence between socialist and capitalist states no longer is one of several possible forms states have to live together. It has become the only form of living together. That has provided it with a new dimension.

Socialism faces these new challenges—as the international communist and workers movement and socialism have from the very start felt committed as ardent proponents of the peaceful coexistence policy. At the international Karl Marx science conference in 1983, Erich Honecker defined the new situation with these well known words: "The preservation of world peace is everyone's business, including those who do not seek fundamental social changes. Sure enough, the yearning for peace and the willingness to fight for it never have been anyone's monopoly. Since there have been wars with their suffering, sacrifices, and destructions, the best representatives of the peoples, of all the different classes and organizations, have bravely opposed the aggressive threats. But never yet has mankind been so directly affected by the mortal danger as today and, hence, motivated to dedicate itself to peace. Even the making of profits becomes illusory by nuclear world war. That then offers the historic chance for all the different forces to join together in the peace struggle and for giving this struggle a breadth such as has never existed heretofore."

The idea of a worldwide coalition of reason and realism, set down by Comrade Erich Honecker at the 7th SED CC session in November 1983, has turned into a new and important factor of world politics. Contributions to that have been the successes of the dialogue policy of the GDR and of the socialist countries, the affirmation of the security partnership by the SPD and other parties of

the Socialist International and by broad bourgeois-liberal forces, the new upswing in the worldwide peace movement, the actions of the nonaligned countries, and the initiatives from the six chiefs of state and government of four continents. The international conference on nuclear weapons-free zones of June 1988 in Berlin, this largest world forum of the peace forces in history, has persuasively confirmed the dynamics and capacity of the worldwide coalition of reason and realism.

Leading representatives of imperialism resist the peaceful coexistence policy now as ever. The U.S. administration was more readily prepared at the 4th summit meeting in Moscow to disarm the medium-range missiles that had been militarily neutralized through our countermeasures than to recognize under international law the principles of peaceful coexistence and nonintervention as valid norms for the relations between socialism and capitalism in the joint Soviet-U.S. announcement.

The resonance to the proposition from Comrade Gorbachev of 15 January 1986, on eliminating all nuclear weapons up to the year 2000, the results of socialist peace policy achieved thus far, and the growth of the worldwide coalition of reason demonstrate, however, the grown historic chances to induce imperialism, lastingly and, eventually, permanently, to realize that it is inadmissible to keep placing its aggressive interests above the interests of all mankind in peace, assured survival, well-being, and health. The only chance for its own survival and for the continued existence of its social system lies in peaceful coexistence, peaceful competition, and cooperation. That is the salient point.

The objective requirements of the nuclear space age in general and imperialism's misuse of the productive forces, in particular, have confronted all mankind with tasks that can ultimately be coped with together only. On top of it all is the preventing of nuclear war. That is the priority task. In connection with it and in consequence of the stormy internationalization of the productive forces and the ensuing greater interdependence, we have to preserve the natural environment, cope with the colossal ecological problems, and surmount hunger, underdevelopment, sickness, and the despoliation, indebtedness and inequality of the states. These questions of the existence of humanity, of world civilization, can only be dealt with by all the states, hence by both systems, through cooperation and a fair balancing of interests.

That calls for a cooperation of the states of the world community at entirely new dimensions. Solving these global problems on behalf of the people and their natural environment calls for truly new ideas, for a new approach to the questions of international cooperation of the states, the systems, the world community. Our 11th party congress has oriented us to that: "Required is a serious will not to abide by the clichés of confrontation and of seeking military superiority, but to approach things in a new way, to find new forms and procedures for the relations between the various social systems,

states, and regions."⁶ For it, Comrade Mikhail Gorbachev, in his speech to the UN General Assembly on 7 December 1988, offered new far-reaching proposals and suggestions. This cooperation takes place while the two opposing social systems continue to exist. The new historic situation commands both world systems to conduct their struggle and contest while excluding military means, in accordance with the norms of peaceful coexistence.

By itself, the capitalist system cannot cope with global problems. The socialist social order can, essentially. But in terms of capacities, socialism cannot alone take care of the global problems all by itself.

Joint solutions for global problems are thus necessary. We must, however, by no means overlook the following facts: there is an organic connection between imperialism and the origin or intensification of the problems referred to. Imperialism, especially its military-industrial complex, caused the threat against humanity. If the global problems are to be resolved, it will be necessary that the extremely aggressive imperialist circles be forced through hard struggle and without a break, not only to renounce their use of military force, their arms race, but also to recognize an all-inclusive, stable international security system. From their own impulse those circles will not be capable of such new thought and action. That calls for resolute struggle, for worldwide cooperation by all peace-loving people toward affecting and pushing back, ultimately taming, the most aggressive militaristic monopoly capital circles.

Forming general human interests and concerns in no way does away with the class interests. Common general human interests transcending class interests and springing from the holistic nature of the modern world never appear in their pure form, nor can their satisfaction take place alongside of or detached from class interests.

There is objectively no way to assume general human interests in a class-neutral fashion. As long as there are classes, the general human interests or—as Lenin put it more accurately—the interests of all social development are reflected and assumed by classes, implemented by them or inhibited, advanced or deformed, turned into norms for all society or threatened or suppressed. Up to the time of the classless society, classes and the social systems that conform to them remain the crucial subjects for assuming the interests of all social development.

Survival also is a class interest of the monopoly bourgeoisie. It wants to live on as a class. The workers class also wants to live on. From which one must not derive, however, any suspension of the opposing specific class interests that result from a given class situation. The survival interests mean that just every class today depends on preventing a nuclear holocaust, on preserving peace, and on other overall social conditions necessary for the existence of society.

The scope and consequence of this identical interest, that which they hold in common, is uneven because of the unlike class position of the two chief classes in modern society. A capitalist does not just want to continue living as a member of the human race, but as a capitalist. Capital exists for the sake of making profit. But if capital goes for profit, it must exist, and in order to assure its existence in the nuclear space age, it must leash its drive for military aggression. The economic and social development in the United States and other capitalist countries compels that too. Leading U.S. circles must take into account that an unbridled arms race exceeds the economic and financial capacity of even the most powerful imperialist country. The United States no longer can keep arming maximally in all types of weapons. An explosive growth of armaments costs undermines the reproduction process in the U.S. economy, worsens its positions in important high-tech branches vis-a-vis Japan and the EC, and disturbs the capitalist world market and the international finance and currency relations. The biggest creditor of the capitalist world has become the biggest debtor.

The aggressive tendency is intrinsic to imperialism. The realities of the nuclear age, however, and of the international political and military power ratio and of the world economic trend halt that tendency and enforce a peace capability on imperialism.

Our Class Interests Are in Full Harmony with the Interests of Mankind

The workers class, on the other hand, knows of no such economically and socially conditioned split of interests. On the contrary, the better the overall social concerns fare, the more favorable things are for the goals and interests of the revolutionary class. Its class interest fully coincides with mankind's interest in preserving peace and solving other global problems.

From it also follows this: formerly the communist and workers parties thought of peaceful coexistence merely as a specific form of the class struggle. Ever since it arose the international workers movement advocated peace in principle, as a socialist ideal, but also as the most favorable form of struggle for national and social liberation. If, however, imperialism imposed upon the peoples a war, against their will and their resistance, the point was to convert that war as fast as possible into a revolutionary overthrow of the belligerent class, whereby to achieve the fastest possible termination of the war, to attain peace. This previously correct conception, confirmed by the results of two world wars, has become outdated by the objectively new conditions for the struggle in the nuclear age and of the scientific-technical revolution.

What applies today instead is this: the struggle to prevent a nuclear inferno and safeguard peace, the creating of free living conditions of human dignity all over the

world, this general humanistic and democratic task conforms to the highest class interests of the international workers class, to the nature and policy of socialism. Solving this task today is the elemental basic condition, the necessary, historically briefest, and only way to accomplish the final goals of the international workers and liberation movement, i.e., the supreme and noblest goals of human society.

Any step ahead toward social progress, the consolidation and upward development of socialism, national and social liberation, and the defense and spreading of democracy in the capitalist countries requires absolutely the prevention of nuclear war. Peace as the supreme and universal human interest thus has a profound social class content.

In pointing out the way and goal to all other social forces while struggling for solving the global problems of humanity, socialism today proves not only the social alternative to capitalism, but the savior of human civilization all-around. This realization exhibits the connection between the revolution in science and technology and the revolution in society. As the new social order with peace for its vital principle, creating and maintaining peace, socialism has not only made the decisive contribution to forcing imperialism into the longest peace era in our century. Today socialism proves to be the system which, through the proposals for an all-inclusive international security and cooperation system, points the way to all mankind for jointly solving the burning global problems, to survival as to new shores.

Understanding the relation between class and peace struggle, between class interests and the interests of humanity, has become a key to further advances by the various progressive forces working under diverse conditions. Dogmatic narrow-mindedness in this matter could bring it about that potential partners in the struggle for peace, security and the peoples' well-being are overlooked or even turned down, so that they fall victim to the demagogical innuendos and practices of the extreme imperialist aggressive forces. The overwhelming majority of mankind, knowing that there is no reasonable alternative for peaceful coexistence in the nuclear age, today includes several, even antagonistic, classes of society; it ranges from the workers class all the way to monopoly bourgeois circles even.

That made Comrade Erich Honecker announce at the 7th Central Committee session: "We are not reducing international relations to an oversimplified 'class struggle schema.' But we know and find out every day anew that the struggle between the classes, the conflict of their interests, remains the chief impulse to world events."⁷ Unscrupulousness, abandoning the socialist class position, would enormously hurt not only the interests of the worker class, but those of all mankind as well. For this would allow the aggressive imperialist forces to carry on with their humanity-endangering policy.

The struggle and conflict between the two social systems also amount of course to a genuine struggle of ideologies, which is not abating by any means. Yet the ideological struggle must and shall not be carried over into the inter-state relations because that would make the cooperation between states with differing social orders and the solving of common problems impossible.

We shall conduct relentlessly the struggle to enforce the peaceful coexistence policy from socialist class positions. For it we are asked—the most recent SED CC session made that clear—to work out more accurately and fully still the dialectic of the internal and external developmental conditions of socialist society, the requirements and effects of the class conflict and of the competition of the opposing systems and of the new perspectives for international cooperation.

Footnotes

1. "Resolving Current Tasks While Looking Ahead to the 12th Party Congress," "Aus dem Bericht des Politbueros an die 7. Tagung des ZK der SED," Dietz Verlag, Berlin, 1988, p 65).
2. "First Pronouncement on the German-French War," "Werke" [Works], Vol 17, Dietz Verlag, Berlin, 1983, p 7.
3. "On the 4th Anniversary of the October Revolution," "Werke," Vol 33, Dietz Verlag, Berlin, 1962, p 36.
4. "Our Foreign and Domestic Policy Situation and the Party Tasks," "Werke," Vol 31, Dietz Verlag, Berlin, 1959, pp 406-407.
5. "Karl Marx and Our Time—The Struggle for Peace and Social Progress," EINHEIT, No 5, 1983, p 426.
6. Comrade Erich Honecker, "Bericht des Zentral-komitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED" [SED CC Report to the 11th SED Congress], Dietz Verlag, Berlin, 1986, p 10.
7. "Resolving Current Tasks...", op. cit., p 65

EINHEIT Summaries of Selected Articles in Jan 1989 Issue

23000098a East Berlin EINHEIT in German
Vol 44 No 1, Jan 89 (signed to press
14 Dec 88) pp 2, 95

[Text]

Integrated Economic and Social Policies—Our Party's Main Battleground

[Summary of article by Prof Dr Karl Hartmann, Socialist Unity Party of GDR Central Committee candidate, first deputy rector and director of the science area of political economy and economic sciences at the SED CC's Karl Marx Party College; pp 10-15]

Through the course of integrated economic and social policies—the core of its economic strategy—the SED has had a clear concept for solving the tasks of the 1990s. In it, much that has stood up well is kept and further developed, impediments are surmounted, and much is tackled in a novel fashion, as it meets our requirements. What are the insights and experiences on which the economic strategy is based? How are socialist production relationships being further developed? Why is concentrating on the key technologies of strategic importance? What new demands arise for the party's ideological activities?

Plan and Market in the System of Our Socialist Planned Economy

[Summary of article by Prof Dr Helmut Koziolk, member of the SED CC and director of the SED CC's Central Institute for Socialist Economic Management; and Prof Dr Otto Reinhold, member of the SED CC and rector of the SED CC's Academy for Social Sciences; pp 16-26.]

Why can the further shaping of the developed socialist society not pose the question of plan or market? What does under the conditions of socialist manufacture the further development of democratic centralism in the economy mean, and how is the market integrated into the planned economy? Why does a general "labor and capital market" fail to conform to the meaning of socialism?

Microelectronics in the GDR's Economy

[Summary of article by Prof Dr Wolfgang Biermann, member of the SED CC, general director of the VEB Carl Zeiss Jena Combine; pp 27-32]

Microelectronics as a key technology is of fundamental importance for implementing our economic strategy now and in the future. How can progressive combines keep pace with the fast rate of technological development? What prerequisites were created for it by the GDR's socialist planned economy? How do combines—Carl Zeiss Jena is used as an example—achieve top positions in this contest? How is personnel trained and motivated for such complicated and demanding tasks?

Scientific-Technical and Social Progress in Socialism

[Summary of article by Prof Dr Gerd-Rainer Radtke, lecturer at the Institute for the Political Economy of Socialism in the SED CC's Academy for Social Sciences; pp 33-38]

Making human labor more productive and creative and tapping new spheres for personality development through the labor process—an important goal and concern of our social strategy—calls for an awareness of responsible future requirements. What changes in the labor process are now foreseeable? How can our social advantages still more effectively be converted—especially through the performance principle—into social energy and impulses for scientific-technical and social progress?

About the Value of Labor

[Summary of article by Dr Karl-Heinz Thieme, lecturer at the Institute for Marxist-Leninist Philosophy in the SED CC's Academy for Social Sciences; pp 39-44]

In view of the growing importance of labor in the life of men, questions are explored of its meaning, content, and character in the process of the tremendous productive forces development. What challenges arise from it for further perfecting socialist democracy and for developing the individuals and their sensible leisure time use for the benefit of each as of all society?

The Socialist Class Position and the Interests of Mankind—Peaceful Coexistence Today

[Summary of article by Hermann Axen, member of the SED CC Politburo and SED CC secretary for International Affairs; pp 45-50. A full translation of this article is published in this report]

Understanding the relation between the class and the peace struggle and between the interests of classes and of humanity has become a key for further advances by diverse progressive forces operating under diverse conditions. On that, this contribution takes a position while it comments on the Leninist conception of the peaceful coexistence policy under the conditions of the nuclear space age and establishes that our class interests fully harmonize with the interests of humanity.

Current Problems of the Further Development of Socialism

[Summary of article by Prof Dr Otto Reinhold, member of the SED CC, rector of the SED CC's Academy for Social Sciences; pp 51-56. A full translation of this article is published in this report]

There is no universal model for the development of socialism. The general inevitabilities of its construction have to be realized according to the specific conditions in any given country. Assuming that, social scientists from 12 socialist countries discussed in Moscow how socialism must be shaped in view of today's challenges for further consolidating its position in the world. In offering insights into the views and conceptions presented, the ones agreed on and those that were not, the contribution enhances the understanding of the clear-sighted course of the SED.

For a Republic of Peace, Democracy, and Socialism

[Summary of article by Prof Dr Siegfried Vietzke, head of the SED history department at the SED CC's Karl Marx Party College; pp 57-62]

How can Hitler-style fascism be kept from unleashing a war, how can peace be preserved and an anti-fascist, democratic, and peace-loving German state be created? At their Bern conference the German communists gave an answer that accorded with the immediate requirements and with those of the future in focusing on subordinating everything to the struggle for the preservation of peace and creating a broad antifascist people's movement.

Friedrich Wolf—Author, Physician, Communist

[Summary of article by Dr Klaus Hammer, lecturer in the philosophy and cultural sciences department of Dresden's Technical University; pp 63-69]

The 100th birthday of Friedrich Wolf is an occasion for paying tribute to his joining the revolutionary workers movement and his contribution in the struggle for implementing its ideals and goals. This playwright excelled in variety and originality, who in all his plays sought to get a handle on the political issues of the time, to challenge spectators to take a stand, and to effect direct changes. Applying this vital legacy to the spiritual struggles of our time is a worthwhile challenge.

Three Decades of Socialist Construction in Cuba

[Summary of article by Prof Dr Joachim Krueger, department head at the Institute for International Relations at the GDR's Academy for Political Science and Jurisprudence; pp 70-75]

Led by the CPC, the Cuban people are energetically engaged in continued socialist construction. In it, they can rely on important advances achieved in spite of complicated international conditions and their colonial legacy. Cuba's becoming a socialist agrarian-industrial state and its active stand for peace, disarmament, and development continue to find the active support from the fraternal socialist countries and the respect and sympathy from all friends of the island of freedom.

IMF and the Developing Countries

[Summary of article by Dr Eveline Kolloch, head associate at the GDR's Institute for International Politics and Economics; pp 76-81]

Headlines came out worldwide, at the latest since the West Berlin IMF and World Bank Conference in the fall of 1988, telling of their connection with the "third world" countries and the tie-in of their activities with the growing indebtedness of the developing countries. What marks the IMF position on the indebtedness problem,

what are the effects of the IMF's economic policy mandatory charges, on which an easing of the debt burden is made dependent, on the developing countries? What demands are the states concerned fighting for, and what assistance is given them?

POLAND

Catholic 'Laborem Exercens' Foundation Goals Described

26000295 Warsaw ZYCIE WARSZAWY in Polish
4 Jan 89 p 3

[Interview with Zbigniew Zielinski, Sejm delegate representing Catholic contingent, chairman of "Laborem Exercens" Foundation, by Krzysztof Plesinski: "The Dignity of Work"; date and place not given]

[Text] [ZYCIE WARSZAWY] In speeches in the Sejm you take up the subject of labor, most often in the context of the crisis phenomena bothering us and social frustration. However, labor is a broad concept. What does it mean to you?

[Zielinski] Usually labor is perceived as some way for obtaining the means to sustain one's life. But by working, we also provide for our families' needs, both the simplest, existential ones and those that strengthen our ties in the family unit. The moral significance of labor is already evident in this. Pope John Paul II, in his encyclical "Laborem Exercens," goes farther in justifying the moral value of labor. According to him, "one should work...also for the sake of one's society, of the nation whose son or daughter one is, for the sake of the entire human family of which one is a member, being a beneficiary of the labor of generations and at the same time a co-author of the future of those who will come after him in the order of things."

[ZYCIE WARSZAWY] However, it is said that in work a person "fulfills himself."

[Zielinski] Yes, John Paul II emphasizes repeatedly that a person should work for his own sake, "for through work a person not only transforms nature, adapting it to his own needs, but also fulfills himself as a person." And so one may say that at the basis of that which we define as the obligation to work is a person's self-improvement and development of his own personality. A result of accepting these truths indicating the particular value of labor in human life must be concern for the conditions under which a person works.

[ZYCIE WARSZAWY] Most certainly this is a deeply humanistic understanding of labor. Only is it so unnatural to treat labor also as a commodity?

[Zielinski] The one-sided economic view of labor in commodity-monetary categories is a simplification, although what we observe may lead one to believe that most people are prepared to sell their energy in any form

of labor, if they receive a satisfactory reward for this. What shows this most clearly are cases of Poles having high professional qualifications being employed in the most unsophisticated jobs abroad. Anyway these are not the only ones. A person's self-respect demands that he take up work in which he at least discovers some small part of himself and which utilizes to the fullest his psychophysical and intellectual powers. Though too it is naturally difficult also not to understand those who, exhausted by ordinariness and futile efforts to improve their material situation, deviate from this ideal.

[ZYCIE WARSZAWY] In the surrounding reality, the understanding of the function of labor is quite superficial. Recognizing this fact was certainly one of the reasons for forming the "Laborem Exercens" Foundation. As a founder, could you give us some goals which the foundation set for itself?

[Zielinski] Its name emphasizes that we derive the ideological-programmatic goals of the foundation from John Paul II's encyclical devoted to comprehensive presentation of the value of labor in a person's life and the human community. The statutory record of the foundation states that it is to serve as practical application of the recommendations of Catholic social ethics, especially in the area of labor and performance of a trade, or popularizing ideas serving as the basis in Polish society for a widely held high standard of labor. And also concerns about orderliness and a responsible attitude toward the family and the upbringing of the younger generation. The foundation implements these goals through its own publishing house, discussion clubs, and also information centers serving people entangled in difficulties caused by professional and family obligations.

[ZYCIE WARSZAWY] And what about practical activity?

[Zielinski] In the future the foundation will organize work for groups of handicapped youth released after their 18th year by custodial establishments run by religious institutions. Currently it already is organizing publishing work for individuals who can do it entirely at home. In particular, this affects mothers burdened with bringing up small children, but also affects individuals who have difficulty getting around outside their own homes. After all, these ventures also permit the accumulation of certain financial resources for covering present needs connected with the foundation's activity.

[ZYCIE WARSZAWY] How is the foundation supported?

[Zielinski] The current assets of the foundation, if one may call them that, consist not only of such institutions as the Workshop for Social Research and Analysis or the bureau for cooperation with similar centers in Poland and abroad, but also the monthly periodical DROGOWSKAZY and the Flex enterprise, which conducts profitable economic activity.

[ZYCIE WARSZAWY] How do you operate?

[Zielinski] A specific hallmark of the method we use is work in small groups, undertaken by groups of people prepared to devote their time and skills to concrete, socially useful matters. The foundation's program of activity establishes its initiating role in disseminating standards for desirable attitudes and behavior in performing work duties. We are also organizing new work places and we are creating suitable conditions for social adaptation for handicapped people, and we are conducting economic activity in areas and in forms which best respond to existing needs. Then, in our monthly periodical DROGOWSKAZY we deal with aspects of labor associated with people's everyday experiences connected with the professional duties they perform. We also are taking up the subject of humanizing working conditions, and also describe pathological phenomena, hoping by this to bring the problems associated with participation in the work place and in performing a stated profession closer to the reader.

[ZYCIE WARSZAWY] We are in a period of intensive changes in the system of management by the state and of introduction of economic reforms. A new order has set out with much energy to sort out the things which bothered society and unleashed its opposition. Will the ideas of labor and the social order as formulated in the "Laborem Exercens" Foundation program promote a solution to the problems of the Polish crisis, or rather will they become a restraint in making labor economical, as is needed?

[Zielinski] I believe that the economic motivation of labor is insufficient for awakening the creative attitudes necessary to overcome the present difficulties. The situation requires a universal understanding and acceptance of the stated necessities dictated by nationwide interests, and also recognition of long-range arguments. On the other hand, these require utterances which will be expressed for a long time yet by an unsatisfactory reward for work done.

However, in order to be able to appeal to the people's solidarity as expressed by intensive labor, it is necessary to demonstrate to those who represent the employer their particular duties regarding the multitudes of workers. It is necessary to restore the meaning of responsibility, not only legal, but chiefly moral, to those who organize labor and create the conditions under which it is performed.

And this does not concern only conditions which are associated with eliminating threats to health and life during the course of work, but also those which could better dispose the workers toward effective expenditure of vital powers. It is essential for work to serve the overall development of a person and thus also his spiritual enrichment. For employers to neglect this

dimension of labor would be a failure originating from a lack of imagination, and this may have various consequences, not only moral ones, but also practical and economic ones.

[ZYCIE WARSZAWY] Then how, in your opinion, should employers act?

[Zielinski] In order to avoid these consequences, it is necessary to respect the dignity and human rights of each worker. Although this appears to be obvious, in reality it differs from practice. We shall look at the methods of administration and management and also the labor organization of groups of workers. How often a person is humiliated in his place of employment, to how small an extent he participates in the solution of problems associated with work he performs, feeling in this an especially deep intrusion of someone else's often incompetent will in the form of decisions with which it is hard to identify.

For example, overly formal self-management structures do not prevent these complications in places of employment, since shallow "economism" often subdues them, not leading to the best economic results in the final tally. Creating conditions for the many-sided development of a person through work is a complicated and difficult task incumbent upon employers. They must take this task seriously if we set ourselves the goal of extracting the country from civilizational regression.

[ZYCIE WARSZAWY] Given the current difficulties of employers, do they really have time to think about the "ideal" side of labor?

[Zielinski] I shall answer this question in the words of John Paul II's encyclical "Redemptor Hominis." If "a person in the context of civilizational progress becomes better, spiritually sophisticated, more aware of the dignity of his humanity, more responsible, more open to others, especially to those in need or to the weaker ones, more willing to extend and bring help to all," then he better fulfills his professional duties and his labor is better utilized by society.

So giving these requirements to the organizers of all collective labor not only will not retard making the effects of human labor economical, but in contrast should serve to accelerate economic development.

[ZYCIE WARSZAWY] Thank you for the interview.

Legnica Experiment: Less Party Interference, POP Role Increases

26000313b Warsaw ZYCIE PARTII in Polish
No 2, 25 Jan 89 pp 16, 21

[Interview with Henryk Nowak, first secretary of the Legnica PZPR Voivodship Committee, by Andrzej Wisniewski: "The Legnica Experiment: We Will Not Accept Stagnation"; date and place not given]

[Text] [ZYCIE PARTII] Let us begin by presenting the essentials of the Legnica experiment. What is it to change in the structure of the voivodship party organization?

[Nowak] The experiment has two dimensions. The first is associated with the creation of a new organizational structure. This means the creation in the Legnica Voivodship, which consists of 35 administrative units, of 13 regional party committees and the maintenance of the civic committees in those gminas, where there will be no regional committee. Five regional centers for party work, all of the city, city and gmina, and gmina committees will be liquidated. The second dimension is a change in the methods of party work. We want to achieve a greater socialization and a greater concentration of the forces of the fulltime apparatus and thus greater effectiveness in operations to implement party resolutions, including the resolutions of the basic party organizations. It is possible then to say that the new structure will make it possible for the party to operate in a different way in the voivodship.

[ZYCIE PARTII] Why precisely regional? Do you not fear the accusation that this is an attempt to reanimate the powiats?

[Nowak] The party regions in no way relate to the powiats, although in the planning of the new structure the not insignificant experience under the previous administrative division was taken into account. In our organizational structure, we assumed something in between the powiat and the gmina. One of the intentions in creating the gminas, as we remember, was, among others, to develop minicenters for services for the given local area. Practice has shown that small administrative units never are capable of taking over these functions.

In the Legnica Voivodship, there are 11 cities of various sizes well located with good transportation networks, and they have traditionally filled the role of providing services for the local gminas and villages. The new regions strengthen this pattern. They are much smaller than the powiats, based on the existing interconnections and are capable of integrating efforts for the benefit of those spheres that will enable more rapid development in many areas. This applies to education, culture, construction, the health services, municipal services, trade, and agricultural services.

The offices of the regional committees outside of the 11 cities will also be in two gminas that in relation to the surrounding gminas function in a way similar to the small cities. This process began to develop in the middle of the 1970's when these gminas, as model gminas, gained additional preferences and financial resources for the development of services broadly conceived.

[ZYCIE PARTII] What is the most important thing in your view? Primarily the desire to adapt the party organization to the existing peculiarities of the local area, or rather the desire to adapt it to the most broadly understood administrative structure which is largely regional? From the point of view of the political work of the party, as we are beginning to understand it today, the

congruence of the party structure to the administrative structure is becoming a secondary matter. The point is not, is it, to double the administrative offices?

[Nowak] The main premise of our idea is the desire for the best possible party influence on those spheres of political, social, and economic life, that are in accord with expectations of the citizens. There is a need to gain acceptance on the part of nonparty people for our goals, to give these people the chance to participate in the creation of community programs. Is it possible to mobilize society to such activity with the dispersed strength of the workers of the party apparatus?

We are not attempting to adapt the new structure to the administrative structures in order to "cover" them with our influence. Our point is just the opposite. The volunteer leadership of the gmina committees will, of necessity, lose their ability to take up the details in the offices. The regional committees are in no case congruent with the existing administrative structures. Moreover, these structures' need to cooperate with the party offices has been reduced to the essential minimum. The location of the regional committees distances the party from the administration, from direct management. Thus, the structures will force the party to cease intervening in everything, will force a search for other forms of party influence.

Thus, there is a need, even an absolute necessity, to increase the responsibility of the party members performing, at the party's mandate, occupation and civic functions for the implementation of the party's policy. Such an approach will raise the prestige and authority of the party members who are active in those positions, but it will also increase their personal responsibility for the proper exercise of their mandate within the party. The regional committees will have to attach great attention to working with this group of party members.

[ZYCIE PARTII] Against this background the most important thing. What will this change mean for the basic party organizations? The regional committees will be more powerful than the gmina committees, but further from the basic party organizations. This should create better conditions for greater independence for the basic party organization, but are they prepared for these tasks?

[Nowak] The distance of the regional committees is, in my opinion, merely apparent, although if we measure it in kilometers, it will surely increase. We think that the "distance" can be easily overcome. The current committees at the basic level are being liquidated only where there are regional committees. The others will remain, although they will function only on a volunteer basis.

We do not hide the fact that in the new conception we are counting a great deal on strengthening the role of the basic party organization. Are all of the basic party organizations prepared for this today? I think not! But

there are also reasons for this situation. Many basic party organizations were buried under the directives coming from the party offices. Decisions, which should have been made by the basic party organizations, were frequently concentrated in the offices. I think that such a model, on the one hand, limited the role of the basic party organizations, lowered their prestige, gave them a feeling of futility, made it necessary to check, to consult various questions, frequently trivial ones, with the party offices. In effect, it discouraged the basic party organizations from being more active. On the other, such a situation for many basic party organizations was convenient: it required no effort.

Strengthening the basic party organizations in the current situation should serve, and this should not be forgotten, to concentrate the strength of the party apparatus in the regional structures. It will be able to prepare better, to specialize more, and also to fill the service role for the basic party organizations along with the support provided by the voluntary party *aktiv* sent to the weakest basic party organizations from the cities.

The formation of the regional committees will make it possible to create a base for preparing this *aktiv* at a lower cost, to make better use of it, to exchange experiences. In the field of ideological work, such strengthening the current *gmina* office could produce significant results. And we are counting on them. Thanks to such actions, a deepening of the integration processes between the urban and rural areas should occur. Party inspiration of the work of the existing units functioning above the local level of the state administration, of the economic or service bodies should be better. The operation of the affiliated institutions should improve. Such actions will undoubtedly contribute to greater influence on the part of the basic party organizations in their groups, to gaining influence on the solution of issues important to society through the regional committees, issues which until now have been beyond the reach of the units at the basic level. Thanks to the creation of such possibilities the feeling of futility should disappear as regards party influence on issues important to the people, groups, locality, or plant.

Under the new operating conditions, working groups will be formed to solve particular problems, implement recommendations announced. Those who made the recommendation will be part of the membership of these groups, and they will be aided by the most competent *aktiv* for the solution of the given problem. Such a method should produce a sense of satisfaction for those who make the recommendation, who will to a significant degree participate in implementing their ideas. We also think that such a method of solving problems important to the community or society will develop a sense of usefulness among the party activists and organizations, will raise their prestige and authority among the people.

We are also making an attempt to form community committees in large housing areas. The point is to inspire party communities to act outside their place of employment. Initially, three such committees will be formed in

the largest cities of the voivodship—Łędnica, Lubin, and Głogów. In the future, after the regional committees are established—we plan to transfer some of the party apparatus workers to local work.

There is a series of other proposals and initiatives from the leadership and *aktiv* of the regional committees. At the voivodship office, we desire to give the regional committees great autonomy in developing new forms of work, but we are putting the main emphasis on raising the importance of the basic party organizations.

It must be remembered, however, that the development of new traditions of party work will be a process. Its roots lie in the stream of changes taking place throughout the party; it is an attempt to introduce into daily practice the idea of not limiting the competence of anyone but of broadening it, of creating the conditions for participation in exercising authority among the broadest circles of society, transferring competence to act to the basic party organizations, creating conditions for developing the activeness of the citizens. This philosophy will accompany the actions of the regional committees.

[ZYCIE PARTII] Does your experiment include changes in the forms and methods of party work?

[Nowak] As I have already mentioned, we will want to activate a series of working groups in the new structures that will function for a time focusing their activities on specific issues. Obviously the new organizational structures are to lead to the development of organizational efficiency in the party working groups, to the creation of conditions for the implementation of party policy. They are to exploit fully the knowledge, ability, and experience of the party *aktiv* in creating levels of activeness among all citizens.

But the point is not the structures themselves. They should primarily play a first-order role in creating the new model of party work. The new structure requires a change in the approach, development of new forms of work. It brings with itself a greater opportunity and ease of critical relation to the old methods, a greater ease in programming the process of change.

[ZYCIE PARTII] How has the voivodship party organization received these proposed changes? Surely, you sought out the opinion of the basic party organizations and the party apparatus. What are their opinions?

[Nowak] The idea to form a new party organization was born and matured over four years. It was in preparation long enough and was no surprise, although we have noted doubts, fears, unwillingness, and emotions among *aktiv* groups in the party offices and among individual party members. This is natural. From the psychological point of view, departing from the old is always difficult. Unanimous acceptance of such a serious undertaking would have worried us more.

Fortunately, it did not appear and there has been no passivity in this matter, neither among the aktiv nor the party organizations nor among the rank and file party members. Throughout the entire campaign, the vast majority of the party members have displayed an active attitude toward this matter. Defensive attitudes were spawned by fear that the liquidation of the fulltime apparatus in the gmina offices will weaken the role of the party, that the gap created will not be effectively filled. Great respect for many of the office secretaries has appeared. It is also characteristic that unaffiliated individuals have defended the committees. This confirms the thesis that the current offices have made a good impression in the life of society and so oblige the newly formed regional committees to still better work.

There are other fears. For example, whether the problems of the cities will not dominate those of the rural areas, that the rural areas will suffer because of the changes, that the cities actually will not want to develop their service function for the rural areas, that the development of those items that define the culture life in the rural areas will be hampered? On the other hand, the desire to combine with the largest centers is apparent, but it includes proposals to improve transportation and communication. Another range of fears operates among the workers of the political apparatus and is associated with threatened loss of their positions. Characteristically, the changes arouse the greatest emotions in those offices that have received the lowest evaluations until now.

The basic impulse to undertake the implementation of the new structures was the eighth plenum of the PZPR Central Committee and the plenum of the voivodship office devoted to this subject. Previous methods of work were subjected to a comprehensive evaluation. There were sharp comments that we will not accept stagnation, conservatism, that we have developed a conception and are delaying its implementation. At that plenum of the PZPR Voivodship Committee, the resolution was adopted to ask the Politburo of the PZPR Central Committee to approve the experiment.

[ZYCIE PARTII] The resolution of the Politburo of the PZPR Central Committee expressing agreement to the implementation of the experiment assumes that its results will be evaluated prior to the 11th PZPR Congress. Do you intend to evaluate the results on an ongoing basis? Are you going to permit the opportunity for verification of those elements that fail in practice?

[Nowak] The experiment will be subject to comprehensive analysis and evaluation. Please recall that the Politburo of the PZPR Central Committee judged it necessary to make such evaluations twice a year and recommended that the Intraparty Commission of the PZPR Central Committee prepare the materials. It also asked the Central Control and Review Commission to make periodic reports. In the voivodship, we have decided the subject of the operation of the new structure,

the exchange of experience about the work of the regional committees will be covered once each month in meetings of the Secretariat of the Voivodship Committee and once each quarter by the Executive of the Voivodship Committee. We believe this is one of the most important tasks for the time remaining to the end of this term in office.

We are fully aware of the heavy responsibility we have taken on. The results of the experiment, the experience that it produces can significantly effect the direction of the changes in the party charter at the 11th congress, help determine the shape of the future structures of the whole party. Honest, complete presentation of the results of the experiment is essential. This view also assumes we will make corrections and abandon whatever does not gain social acceptance.

What is good today may not be of use tomorrow. Our task is to seek out the new, to stand at the forefront of change. We cannot stand in place, drawing on what is out of date. The theses of the 10th plenum of the PZPR Central Committee approve of such behavior. This defines our attitude toward the conception presented today. We are not just allowing for corrections; we expect them.

Party Activities Calendar 1-15 January 1989

26000313a Warsaw ZYCIE PARTII in Polish
No 2, 25 Jan 89

[Unattributed article: "Party Chronicle 1-15 January 1989"]

[Text]

Meetings of the Politburo of the Central Committee

3 January. The Politburo, in a new membership, examined the sociopolitical situation in Poland at the beginning of 1989. It called for full use of the substantive achievements of consultation and discussion of the design of the resolutions of the 10th plenum.

10 January. The Politburo examined the conditions and problems regarding the implementation of the Plan to Consolidate the Economy and the government's package of goals deriving from the plan. It discussed the preparations for the second half of the 10th plenum of the Central Committee. It decided to call the Third All-Polish Theoretical and Ideological Conference on 2-4 February 1989.

Meetings of the Central Commission on Cooperation

12 January. A meeting of the leaders of the allied parties—Wojciech Jaruzelski, Roman Malinowski, and Tadeusz W. Mlynczak—in which Mieczyslaw F. Rakowski, president of the Council of Ministers, and Jozef Czyrek, secretary of the Central Committee and member of the Politburo, participated, was held. Then

there was a meeting of the Central Commission on Party Cooperation—PZPR, ZSL, SD, and the Catholic and lay christian movements, Pax, the Christian Social Association, and the Polish Catholic-Social Union. Wojciech Jaruzelski, Stanislaw Ciosek, Jozef Czyrek, Zygmunt Czarzasty, and Boguslaw Kolodziejczak represented the PZPR. The meeting was devoted to a discussion of the key political and socioeconomic problems in Poland.

Conferences and Meetings

4 January. Marian Orzechowski, secretary of the Central Committee and member of the Politburo, met with representatives of lecturer groups from all over Poland at the Central Committee building. They discussed the theses of the 10th plenum of the Central Committee and the conclusions concerning party work deriving from these theses. M. Orzechowski also met with the leadership of the Main Board of the Polish Teachers' Union at their headquarters. They discussed the problems of the teachers and the operation of the educational system.

6 January. At the Central Committee building, there was a discussion about the party, its dilemmas, and the changes occurring in Poland with more than 300 representatives of the younger generation who hold a variety of political views. Leszek Miller, secretary of the Central Committee, listened to the comments.

9 January. The Political Economy Commission of the Central Committee met with Wladyslaw Baka, secretary of the Central Committee and member of the Politburo, its chairman presiding, to discuss the planned economic policy for 1989.

Stanislaw Ciosek, secretary of the Central Committee and member of the Politburo, met with the Executive of the basic party organization and the editorial board of TRYBUNA LUDU. They discussed the problems of the party and Poland in light of the theses presented at the 10th plenum of the Central Committee.

11 January. Wojciech Jaruzelski, first secretary of the Central Committee, received Kazimierz Morawski, president of the Christian Social Association, who presented the problems occurring in discussions within the Association prior to its 15th Congress.

Prof Marian Stepień, secretary of the Central Committee, met with the Presidium of the Sejm Commission on Culture and with Kazimierz Dejmek, the president of the Main Board of the Union of Polish Actors. Tadeusz Sawic, director of the Culture Section of the Central Committee, participated in both meetings.

12 January. In Wrocław, the Second National Forum of Workers' Self-Managements met; 215 delegates from the 106 largest industrial plants participated. Wladyslaw Baka, secretary of the Central Committee and member of the Politburo, also participated in the Forum.

Marian Stepień, secretary of the Central Committee, met with the leadership of the Committee for Radio and Television, the party aktiv and the journalists who deal with cultural problems.

13 January. On the eve of the renewal of the deliberations of the 10th plenum of the Central Committee, the member of the PZPR leadership visited plants to discuss the party, the reforms, and national reconciliation with the party aktiv. Wojciech Jaruzelski met with the party aktiv at the Kasprzak Radio Plants; Stanislaw Ciosek, at the Baildon Steelworks; Kazimierz Cypryński, with the workers at Zgierz; Wiktor Pyrkesz, at the Teofilów Plants in Krotoszyn; Gabriela Rembisz, at Stomil in Poznań; Zygmunt Czarzasty visited the Siedlce Voivodship.

At the Academy of Social Sciences in Warsaw, awards presented by the editors of MYSL MARKSISTOWSKA for works in the area of Marxist social science were presented. Marian Orzechowski, secretary of the Central Committee and member of the Politburo, Prof Jarema Maciszewski, rector of the Academy of Social Science, and Prof Stefan Opara, editor in chief of MYSL MARKSISTOWSKA, participated in the ceremonies.

15 January. The Commission on the Resolutions and Recommendations of the 10th Plenum of the Central Committee met under the leadership of Marian Orzechowski, secretary of the Central Committee and member of the Politburo.

In the Offices and Organizations

2 January. L. Miller, secretary of the Central Committee, visited the industrial plants in Żyrardów. He held talks with the workers in production jobs and with the management and sociooccupational aktiv in the Flax Industry Plants, the Stella Plant Trade Union, and the Pol-dress Clothing Industry Factory.

3 January. The Warsaw-Central City District Committee discussed the role of the party in the transformation. Mieczysław F. Rakowski, member of the Politburo of the Central Committee and premier, participated in the meeting.

5 January. In Srodborow near Warsaw, Leszek Miller, secretary of the Central Committee, met with the leadership of the Union of Socialist Polish Youth from all over Poland. Zbigniew Sobotka, candidate member of the Politburo of the Central Committee, also participated in the meeting. L. Miller also met that same day with the chairmen of the socialist youth unions: Jerzy Szmajdzinski, Roman Kupijaj, Ryszard Wosinski, and Marek Jozefiak.

In Zamosc, there was a joint meeting of the PZPR, ZSL, and SD Voivodship Committees devoted to entrepreneurship and local initiative. Janusz Patorski, deputy premier, participated in the meeting.

6 January. In Poznan, there was a meeting of the activists and veterans of the worker movement with Gabriela Rembisz, member of the Politburo of the Central Committee. The meeting was a consultation and discussion of the contents of the theses at the 10th plenum of the Central Committee.

9 January. Marian Orzechowski, secretary of the Central Committee and member of the Politburo, met with the political aktiv of Zamosc as part of the preparations for the second part of the 10th plenum of the Central Committee.

The topic of the 10th plenum was also the subject of a meeting of Zdzislaw Swiatek, member of the Politburo of the Central Committee, at the Fokop Industrial Boiler Factory in Sosnowiec.

The Lublin Voivodship Committee discussed the problems bothering the people in the region: housing construction, trade and services, market supplies, preschool care for children. During the organizational portion of the meeting the Voivodship Committee was reorganized and changes in the membership of the Executive of the Voivodship Committee were made. In place of the current sections of the Voivodship Committee three vertical structures were formed: the political and organizational, the ideological, and the educational, science, and youth; a economic policy group was also formed.

11 January. Alfred Miodowicz, member of the Politburo and chairman of the OPZZ, met with the social and political aktiv of the Lenin Steelworks.

The Szczecin Voivodship Committee devoted its deliberations to changes in the party and the place and role of the party in the sociopolitical and economic life.

The Zielona Gora Voivodship Committee discussed the direction of the changes in the style and methods of party work.

12 January. Leszek Miller, secretary of the Central Committee, met with young railway workers of the Polish State Railways Switching Station in Skarzysko-Kamienna.

In Katowice, the PZPR and SD Voivodship Committees held a joint plenum to discuss the state and development of socialized small-scale manufacturing and crafts.

The Wroclaw Voivodship Committee discussed issues concerning the leadership role of the party and its tasks in the transformation. During the organizational part of the meeting eight new members about 30 years of age were added to the plenum. Wladyslaw Baka, secretary of the Central Committee and member of the Politburo, participated in the deliberations.

14 January. The Bydgoszcz Voivodship Committee discussed the state of society's mood as seen through the prism of the complaints and comments from the populace. Kazimierz Cypryniak, chairman of the Central Control and Review Commission and member of the Politburo, participated in the deliberations.

The Bialystok Voivodship Committee discussed the role and place of young people in the socioeconomic life of the voivodship.

Interparty Cooperation

A collection of the speeches of Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Council of State, has been published in Beijing. The volume, which is more than 600 pages long, contains his most important statements of the last seven years.

4 January. Cuba celebrated the 30th anniversary of the Cuban revolution. A delegation of the People's Republic of Poland led by Kazimierz Barcikowski, deputy chairman of the Council of State, participated in the ceremonies.

8 January. In Frankfurt am Main, the 3-day congress of the German Communist Party ended. The second portion of the deliberations will be held in February 1989. A delegation of the PZPR led by Kazimierz Cypryniak, member of the Politburo and chairman of the Central Control and Review Commission, participated in the congress.

PZPR Voivodship Plenums: Party Weaknesses, Slow Reform Tempo

Concrete Reform Solutions

26000306 Warsaw TRYBUNA LUDU in Polish
7-8 Jan 89 p 2

[Article by Wladyslaw Wrzask: "Plenary Deliberations of PZPR Voivodship Committees: Pila, Reform Within the Party is Essential"]

[Text] The conclusions drawn from the discussion and the materials of the first portion of the deliberations of the 10th plenum of the PZPR Central Committee were the subject of the plenary meeting of the Pila Voivodship Committee. Michal Niedzwiedz, first secretary of the PZPR Voivodship Committee, presided over the deliberations.

The starting point for the deliberations was a report on the discussion in the party organizations held under the slogan "The Party in the Process of Reforming the Economy and the State," and also of the course of the individual talks with the party members and candidates. The exchange of views was done in six groups. Thanks to this, many speakers, there were 72, could comment on the issues which the entire party is now avidly discussing.

"The members of the party expect substantial change in the life of the party, for they regard reform as necessary in many areas of life," said Kazimierz Wisniewski, head of the Regional Center for Party Work in Zlotowo. "There are still many slogans, and the question frequently arises: what are the real opportunities and conditions for implementing them."

Wojciech Mlynkiewicz, president of the Społem General Consumers' Cooperative, referred to these statements and criticized the lack of objective answers explaining how and what must be done to reform the party. "We want the party to be our party and not the party of the apparatus or of the Central Committee," said Zenon Kornobis, first secretary of the PZPR Factory Committee at the Rofama Agricultural Machinery Factory in Rogozno. Thus, the operation of the basic party organizations in the overall life of the party takes on fundamental significance.

There were also critical comments on ideological problems. Aleksander Lauk, a veterinarian from Golancz, commented, "Theory has fallen far behind."

"We must tell ourselves honestly that the authority of the party is declining. I think that the party in this situation needs some success, and it should achieve it primarily in the economy," said Jozef Lastowski from Trzcianka.

These comments are from the discussion in one of the discussion groups. A similar atmosphere and critical attitude toward what is happening in the party appeared in the discussions of the other groups. Among the more important issues that were discussed was the need to verify the party members. The party should be a mass party, but its members should be active and identify fully with what is important for the party. There was a recommendation to establish the range of responsibility of the party for the direction of economic development. The organizational structures require remodeling.

Based on the discussion and the materials prepared earlier, the PZPR Voivodship Committee took a position on the theses of the Politburo for the 10th plenum of the PZPR Central Committee. It will be presented during the second portion of the deliberations of the 10th plenum as the opinion of the Pila voivodship party organization.

Call to Party Defense

26000306 Warsaw TRYBUNA LUDU in Polish
7-8 Jan 89 p 2

[Article by Czeslaw Kubasik: "Plenary Deliberations of PZPR Voivodship Committees: Walbrzych, Do Not Count the Weaknesses, Correct Them"]

[Text] What kind of party do we have and what kind of party should we have, and what kind of party members do we have and what kind should we have? What are the causes of the weaknesses of the party? Is the voivodship

party organization capable of boldly constructing new, path-breaking decisions? These were the most frequently repeated questions to which the plenum of the Walbrzych PZPR Voivodship Committee sought to find answers on 6 January 1989. The theme of the deliberations encouraged responses: "Ideology, Identity, Action in the Process of Socialist Reform," as did the participation by Marian Orzechowski, secretary of the PZPR Central Committee and member of the Politburo.

In his brief introduction to the discussion, Piotr Wiernik, secretary of the PZPR Voivodship Committee, in the name of the Executive, said, among other things, that the comments forwarded to the voivodship offices nearly always concerned the excessively slow rate of change in the party and the state. "It is necessary to agree with such opinions. Too many habits and stereotypes to which we have become accustomed over the years and which have so far been treated as permanent and unchangeable must be changed. Making a breakthrough in ideological work requires breaking away from the existing stereotypes associating ideological life, among other things, only with meetings and training in the basic party organizations or with the appropriate forms of propaganda, viewed frequently as spectacles moving from celebration to celebration. Making a breakthrough we must create conditions for a multilevel, unhindered discussion of every issue of interest to the party members."

Criticizing the theses prior to the 10th plenum of the PZPR Central Committee, Maria Korynkiewicz, president of the District Court in Swidnica, demanded more concrete language in the party documents and also a reduction of the number of resolutions adopted and broader consultation of them with the party members.

"Today it is not bold to criticize the party, but to defend it. We must end the self-castigation and guard against renewers whose mouths are full of phrases but who waver," said Stanislaw Sloniewski, an employee of the Electronics Institute in Jedlino Zdroj. He also recommended attracting young people with new forms of work in the party, opening party committees for them.

In discussing the need to strengthen the party organization, speakers repeatedly emphasized they believe that the second portion of the 10th plenum will provide an opportunity to adopt resolutions and organizational decisions contributing to the strengthening of the basic party organizations and making more effective operation of the party offices at the lower level possible. The Executive of the PZPR Voivodship Committee was authorized to form a working group to prepare concrete proposals for an organizational model for the Walbrzych voivodship office.

Jozef Nowak, first secretary of the PZPR Voivodship Committee, presided over the deliberations.

Boisterous Meeting in Lublin

26000306 Warsaw TRYBUNA LUDU in Polish
10 Jan 89 p 2

[Unattributed article: "Plenum of the Lublin PZPR Voivodship Committee: Responsibility Cannot Be an Empty Word"]

[Text] The plenum of the Lublin PZPR Voivodship Committee which was held on 9 January 1989 followed a different pattern than previous meetings. The deliberations did not begin with the usual report by the Executive, but with a short introduction by Andrzej Szpringer, first secretary of the Voivodship Committee, who quoted fragments of some of the documents from the last voivodship party conference on the most important and relevant issues for the residents of the region. The primary ones were housing construction, trade and services, market supplies, and problems associated with ensuring preschool care for children.

Beginning the deliberations in this way gave them a lively character and caused a sharp exchange of views which at times even went beyond parliamentary norms of discussion (interrupting speakers, spontaneous questions from the floor, etc.). It was emphasized that there are many issues and problems for which solutions should be found at the voivodship level by its own residents and the more than 50,000 members of the party organization. In order to solve many of them, there is no need for directives or central decisions. Some of the participants asked whether the signs of difficulty which have been visible for years can be overcome at all. The majority of the speakers responded yes. They pointed to the experience in other regions of Poland, to the actions of the party and its members in their own groups producing the expected positive results, but on the condition that

responsibility not be an empty word, not denote anonymously made decisions. The condition essential to effective party action is also the selection of the appropriate personnel capable of meeting the none too easy tasks of a period of deep change in society, in the economy, and in the party itself.

The atmosphere of the deliberations caused the speakers to strive to present their party participation in the solution of mounting problems which were the subject of resolutions of the voivodship party conference more than two years ago. Attempts to speak broadly, to shift failure, including their own, even incompetence, onto the lack of regulations met with the disapproval of the audience. That was the case with the speech of the director of Inwestprojekt, which is largely responsible for the state of housing construction in the voivodship, which in 1988 built more than 400 fewer apartments than in 1987. The claim that it takes two years to design a school building because that is the procedure met with laughter and disbelief.

Obviously, there are matters concerning housing and ancillary construction requiring changes in the current regulations. The housing cooperatives at present cannot obtain bank loans to build facilities for the retail trade, service, etc., and the resources for their construction should come from the future users. They, however, for various reasons frequently are not eager to spend their own resources for these purposes. As a result, housing developments—bedrooms—are built without even the basic service and trade facilities. The president of the Czuba housing cooperative in Lublin commented on this situation.

During the organizational portion of the meeting the PZPR Voivodship Committee was reorganized the better to adapt its structure to the current needs and future tasks of the party, and personnel changes were made in the membership of the Executive of the Voivodship Committee. In place of the previous sections of the voivodship committee, three vertical structures were formed: the political and organizational, the ideological, and the education, science, and youth. A economic policy working group was also formed.

INTRABLOC

Housing Funding for CEMA Nations Compared *23000101a East Berlin ARCHITEKTUR DER DDR in German Dec 88 pp 6-7*

[Article by Prof. Dr. Horst Adami and Dr. Theofried Beywl of the GDR Civil Engineering Academy's Institute for Housing and Retail Facilities Construction: "Housing Construction 1990-2000—Workshop on the 'Housing Construction' GDR-USSR International Agreement"]

[Text] In June 1988, a scientific seminar was held in Moscow on Topic IV of the international agreement: "Basic Socioeconomical, Architectural-Urban and Technical Engineering Development Trends in Housing and Retail Facilities in the GDR and in the USSR for the Years 1990 to 2000 and Beyond." Based on submitted theses and preparation of a comprehensive joint report, the conference had the task of incorporating current findings and experiences of both countries into future work. From the numerous technical contributions, just a brief synopsis of recognizable trends and scientific standpoints in the USSR follows.

It is widely known that the CPSU and the Soviet government have established a housing construction program which has the goal of providing every family an apartment or single house by the year 2000. According to Dr. Nikolayev, a doctor of science and technology and director of the ZNIIEP [Central Scientific Research and Development Institute] Housing Construction, the scientific institutions are currently busy developing a forecast horizon far beyond the year 2000. This is in a variety of introductory addresses and policy proposals towards realization of housing policy and the investment policy in complex apartment construction. Changes in housing policy must be assumed, and these have already been determined or are in development. To solve the housing problems, it is necessary to again increase apartment construction's percentage of the total investments of the economy. This percentage dropped from 22.9 percent in 1960 to 15.5 percent in 1986. With that, the USSR has remained behind some Comecon countries as well as a number of developed capitalist states.

The "redistribution of financial sources" for housing construction is seen as the requisite key to construction intensification and improvement in living space availability. Approximately 70 percent of all housing construction in the USSR is state-run. In comparison with other socialist countries, this figure is about 60 percent in the GDR, approximately 44 percent in Bulgaria, about 28 percent in the CSSR and 22 percent in Hungary. That is why appropriate decisions have already been made for the promotion and expansion of collective and private housing construction. Proposals call for raising the percentage of housing construction financed

by the social funds in factories, organizations and collective farms from the current 20 percent to an average of 35 percent by the year 2000.

One cause of social injustice in housing supply is the past practice of unequal burden distribution and varying degrees of individual citizens' participation in the solution of their housing problems. For example, rental expenses including building management are only about 2.2 percent of family income for a 3-room government-financed apartment. With the mortgage conditions in communal housing construction, this percentage reaches 14 percent, and with private home construction it approaches 20 percent. The virtually free provision of government housing has allowed the level of expectations regarding quality to sink considerably, and it has led to the appearance of neglect and lack of responsibility for common property. For these reasons, proposals to finance housing are currently being sought which insure a greater measure of social justice but at the same time reduces the burden on government funds and increases individual citizen responsibility for the improvement of their housing conditions. That includes development of a differential rental pricing system which would satisfy socially recognized basic needs while calling for higher rents for housing which meets demands in excess of those basic conditions.

Currently there is about 160 square feet [sf] of living space per resident in the USSR. The goal is to provide 194 sf per resident by the year 2000. Further scientific analysis show that with a provision of about 300 sf, an upper level is reached at which, with sufficient flexibility in the living area, the current recognizable living needs can be provided. Depending upon the study alternatives, achieving this can only be done by the year 2025. To fulfill this goal, at least 24.2 billion sf of living space must be built by the year 2000. This corresponds to about 32 million apartments with an average space of 750 sf. A major prerequisite for the attainment of this large program is an improvement in the building materials supply base and the recovery of additional territorial resources. Precisely 50 percent of new housing construction will be prefabricated panel method of construction in the future, too. The further development of industrial monolithic concrete (cast-in-place reinforced concrete) construction will also be given great significance. Soviet experience has been that this method of construction provides favorable results with respect to quantities of steel and concrete use as well as construction and transportation expenses. Additionally, unconventional materials and construction methods should be applied to an increasing degree in the expanded single home construction, depending on specific site conditions.

This development is simultaneously a good prerequisite for the further increase in quality and variety in urban architectural forms. The massive housing construction projects of the last decades, which stand in testimony to themselves in multistory apartment complexes, must be further "humanized."

The second point of emphasis in the seminar, humanization of the housing environment in the cities, means comprehensive improvement in living quality by rectifying past negative developments. In the theoretical considerations on primary directions and levels of effectiveness of humanization, it is interesting that the residential courtyard is given great significance as a visible component with human measure. Its area of influence should not exceed 500 to 600 residents. For each square foot of living space, 0.5 to 0.6 sf of yard area is seen as sufficient for individual use and decoration. In that regard, new solutions and better arrangements for home entrance areas, open areas immediately next to apartments and retail facilities are all needed.

To create a more human residential environment, it is considered unavoidable to further reduce the percentage of highrise apartments and multistory apartment buildings. In addition, the ground floors should be increasingly used for small business and community facilities without changing building structures and with retention of the 9-foot ceiling height.

Further exhibits on rational forms of retail accommodations in large cities were disseminated in the third seminar point of emphasis. The Soviet specialists have spoken out in favor of a graduated system of large multifunctional retail centers (serving a half-mile radius) and special stores (within 700-800 feet) near housing.

The stores near housing should offer the citizen a higher quality with regard to convenience and time, and permit new forms of shopping such as "itinerant" trade, home deliveries and services. To reduce administration expenses, it is foreseen that these local stores would be run as branches of the larger retail companies. Private community facilities should be run by the building administration or renters' union, whereby the renters' union should also participate financially in the establishment of such facilities.

In another primary topic, new solutions for apartments and apartment buildings for special population groups were displayed and discussed at the seminar. In 1985, 13 percent of the entire Soviet populace was over 60 years old. By the year 2000 this group will grow to almost 16 percent. It is assumed that 5 to 6 percent of the entire housing requirements must meet the specific needs of older people. Almost one out of six of the people in this age group require constant care and corresponding building solutions.

For students and young technicians, the goal is to be able to completely meet demand for appropriate dormitory space. Special attention is also given to specific demands in housing provisions for multigenerational homes and for the proper family raising of orphaned children.

The GDR participants in the seminar gave our point of view on the development perspectives identified on the topics listed here. The Soviet partners valued these

contributions as informative and useful just as much as the GDR side values the familiarization with primary trends in Soviet housing and retail construction as being of great informational value.

The workshop was rounded out with several films and an informational contribution by the GDR delegation on the experiences of urban construction. All presentations, including the GDR contributions which were not listed here, including a thorough travel report, are available in the GDR Civil Engineering Academy's Institute for Housing and Retail Facilities Construction.

GERMAN DEMOCRATIC REPUBLIC

Consumer Goods Subject to Export Controls, Duties

23000109 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 10 Feb 89 p 6

[Text] The GESETZBLATT DER DDR has just published new and sometimes radically increased rates of customs duties applicable to exports of some goods from the GDR as of 1 February. The increase in duties has had little impact on inner-German travel, because very few West Germans or West Berliners buy any large quantities of goods in the GDR for East German marks. The duty free limits for other goods exports from the GDR remain the same. For a 1-day trip, goods may be purchased free of duty to the value of M100, for a trip lasting two or more days the duty free limit amounts to M200. Goods purchased by Western visitors in GDR "Intershops" for hard currency may still be taken out of the country in any quantity and duty free.

This increase in customs duties, applicable to exports only but not to imports (no increase in the latter) is intended by the GDR to prevent visitors from East Europeans from buying up large quantities of GDR goods that are either in short supply, of worse quality or more expensive in the respective countries. The official announcement says that the measure was adopted to protect the domestic market and to serve the interest of the GDR public. At the same time, the GDR thus responds to similar decrees issued in Czechoslovakia and other East European countries which are using extensive export bans to protect their domestic markets from buyers from "fraternal countries"—including the GDR.

The list published in the GESETZBLATT DER DDR sets out 48 items. According to this, a general ban on exports from the GDR applies to children's and baby clothes, baby wool, baby blankets, diapers, underblankets, shawls, baby carriage covers and furnishings, curtains and curtain fabrics made of synthetic materials, underwear of all kinds, pantyhose, bedlinen and bedding fabrics, work clothes, feathers, down and all types of footwear. Also banned are exports of gas stoves, cars, motor cycles and motor scooters, mopeds and miniscooters, precious metals, jewels, pearls and articles made

therefrom, television set accessories and replacement parts, meat and meat products including poultry, wire netting, photochemical products and postage stamps.

Customs duties amounting to 200 percent of the retail price are being levied on model railways, accessories and components thereto, musical instruments and accessories including additional devices and spare parts, motor fuel, chocolate, chocolate candy, cocoa powder, coffee, fats, butter, cheese, edible oils, eggs, egg powder, milk, powdered milk, other essential and nonessential foods, paper and office supplies including scholastic supplies, printed matter in the field of the natural sciences, medicine, engineering, mathematics and music. A 150-percent duty is charged on exports of household appliances and refrigerators, plastics and rubber products including floor covering, household chemicals and construction materials.

For textiles including knitting yarn, toys, some records, household items made of metal or wood, tools, small hardware items and garden tools, bicycles, photo and cine cameras and other optical devices (insofar as they may be exported at all), lighting fixtures and electrical materials, spirits, wines, champagne and beer as well as paint and varnish customs duties now amount to 100 percent. The duty payable on other goods listed in the GESETZBLATT is 50 percent in the case of handicrafts and 20 percent in that of tobacco and tobacco products.

Dichotomy of Market, Planned Economies Discussed

23000099 East Berlin EINHEIT in German

Vol 44 No 1, Jan 89

(signed to press 14 Dec 88) pp 16-26

[Article by Prof Dr Helmut Koziolk, member of the Socialist Unity Party of Germany (GDR) Central Committee (SED CC) and director of the SED CC's Central Institute for Socialist Economic Management, and Prof Dr Otto Reinhold, member of the SED CC and rector of the SED CC's Academy for Social Sciences: "Plan and Market in the System of Our Socialist Planned Economy"]

[Text] The 7th Central Committee session, especially through Comrade Erich Honecker's Politburo report, has explained that getting set for the 12th SED Congress calls for solving important tasks and answering important questions. Our ambitious plans must be resolutely met up to the end of this decade, and on that basis the development of all sectors of public life must be dealt with as the 11th party congress resolutions demand. We also must answer the question of how we will further develop and implement in practice our social conception, which has distinguished itself in life, in the 1990's. Doing so, we shall, in accordance with our party's working style, "preserve what has proven itself, throw overboard all that has blocked our advances, and tackle much in a new fashion. That conforms to our requirements, to the experiences in other socialist countries, and

to the character of our party. We are a party of the innovators who can look back at a 140-year tradition already, to its founders, the founders of scientific socialism, Karl Marx and Friedrich Engels."¹

Our goal is to ensure dynamic economic growth for the decade ahead. Annual growth rates of circa 4 percent are needed to carry on the integrated economic and social policies smoothly. Such growth can be attained only by way of our intensive expanded reproduction. This in turn is permanently feasible only if the modern key technologies are developed at new dimensions and used with the highest economic efficiency and at a vast range. These starting points for further making our social conception prevail are clear. We must, however, also ask how the socialist production relations, economic management and planning, and the development of other public sectors are to be handled in the years ahead so that our economic capability rises as required. An important role in answering this question attaches to the relation between central state management and the in-house responsibility of the economic units and, in this framework, to the relation between plan and market.

Creative Application of Democratic Centralism

The creative application of the Leninist principle of democratic centralism, according to which the central management and planning of societal processes are increasingly concentrated on expert decisions on basic matters, whereby the autonomous responsibility and initiative of the local state organs, the combines and enterprises, the cooperatives and institutions are then also fostered, is the key to properly determining and structuring these relations. Democratic centralism to us does not mean some administrative principle applied, as it were, to the economy "from the outside," but an economic principle that firmly links the advantage of central management and planning with the real economic interests, tasks and possibilities of the economic units, which precisely thereby obtains its effect as an incentive.

Against this practice which has proven itself so well in real life attacks have always been directed contending that democratic centralism meant some sort of dictate from some headquarters that was bound to thwart flexible reaction, lead to erroneous decisions, and produce bureaucratism. Were we to handle democratic centralism as insinuated by bourgeois ideologues and politicians, such negative effects would indeed result. That only would be no democratic centralism in Lenin's terms and has nothing in common with realities in our country. We have never meant by it any kind of relationship between central decisions and an autonomous responsibility of the economic units designed in accordance with subjective notions. We have always followed the principle that democratic centralism can be successful only if it conforms to the internal developmental laws, interests and requirements, especially the requirements for productive forces development. On the basis of an accurate

analysis of the social reproduction process one must ascertain with scientific cogency what is central and what is to be decided within the scope of the economic units. We take into account for all that especially under the influence of the scientific-technical revolution, but for other reasons as well, the social reproduction process and its conditions are in constant flux. That leads to the conclusion that democratic centralism too is subject to necessary change processes. In each developmental phase of socialist society, the quantitatively and qualitatively optimum ratio must be found between central management and the economic units' autonomous responsibility.

The classic Marxist-Leninist author took for granted that the social management and planning of the economy stems from the increasing level of production and labor socialization. Experience has fully confirmed that. As demonstrated, even in today's capitalism the social reproduction process is no longer feasible solely on the basis of private capitalist decisions. The formation of state monopoly capitalism reflects that. It is further demonstrated by the central state influence, serving the corporate interests, on research, subsidy policy, finance, currency, and foreign trade policy, and by the social policy directed against the working people.

Recently Heinz Duerr, the boss of the AEG Corporation in the FRG, asked about the role the market plays in technological policy, especially in the research field, said it would be very hard for technologies in the future to operate with success as separate and distinct enterprises, so that leading industrial nations could not simply leave technological development to the market: "The market economy has a great deficiency. Only short-range thinking holds sway in it. The processes that matter here, the development of new technologies and the restructuring of industries, are long-range in type. That the market cannot handle."²

Central Management and Planning—Advantage of Socialism

Central economic management and planning is an essential advantage for socialist society; making practical use of it is indispensable if the social reproduction process is to proceed smoothly. The public ownership in the decisive means of production and the absence of antagonistic contradictions of interests facilitate harmonizing social, collective, and individual interests time and time again although they are subject to constant changes. This means that central management can be successful only so long as it relies on the specific interests of the economic units and of the working people.

The various interrelations between the autonomous responsibility of the combines, enterprises, and other economic units on the one side and central economic management and planning, on the other, therefore determine the character of democratic centralism. Opposing these two sides of democratic centralism in terms of

either/or is alien to the socialist planned economy. Experience demonstrates that both the demands made on central management and the weight of autonomous responsibility are growing.

Obviously, central economic management and planning now as well as in the 1990's remains the prerequisite for accomplishing our social strategy, for putting into effect the advantages, ideals, and values of socialism in our country more and more. Some requirements, for that matter, assume special relevance.

First and foremost, only this way is it possible to accomplish the unity of economic and social policies so that all can perceive it. Social security for all here belongs to the fundamental values. But not any one combine—not even the most efficient one—can by itself guarantee full employment in our country. Never would it be possible to carry out our party's housing construction program and its housing policy, were they to be surrendered to the effects of market rules, that is to the market economy. A decisive factor of our policy simply is that in the GDR apartments cannot be traded just like any other commodity and rentals do not depend on supply and demand.

Second, requirements and the responsibility for the penetrating structural changes are growing, further accelerated through the scientific-technical revolution in the 1990s. Not just simply to perform these structural changes, but in a manner that the working people's working and living conditions are further improved, social security is ensured for all, and no social conflicts arise—therein we find our humanistic concern.

Without central management and planning, microelectronics could never have reached the level it has obtained to in the GDR so fast. That is connected of course with important decisions in investment policy and with striking the proper balances within the scope of the economy.

Third, the number of those sectors is growing in which research tasks and investments far transcend the realistic possibilities of single combines. In all industrially developed capitalist countries, therefore, a large portion of R&D gets government financing and organization.

Fourth, it is a matter of creating through central state management the most favorable premises for fully assuming the autonomous responsibilities in the economic units with high socioeconomic efficiency.

As experiences in some socialist countries have shown, it is of little economic benefit to assign autonomous responsibility to enterprises and other economic units so long as the periphery for it has not been prepared for it. Autonomous responsibility in the enterprises evidently can be successful today only if the modern equipment and technology needed for higher efficiency are in fact available and can be acquired. That, in turn, is only the

case if the needed structural changes in the economic framework are made. Economic structural policy and autonomous responsibility are inseparable from each other.

Finally, central management and planning is absolutely necessary to ensure the ecological equilibrium in organically combining ecological requirements with the social reproduction process.

Commodity Production—Organic Component of the Socialist Mode of Production

The further shaping of the socialist production relations and, with it, of essential superstructure relations includes the perfecting of the management, planning, and effective accountancy system. In this, we proceed from the following: socialist production is commodity production, hence the economic units are commodity producers. Commodity production is germane to socialism, not a residue of previous modes of production. It has its own socialist character determined by the prevailing, i.e. the socialist, property relations.

Socialist commodity production does not proceed apart from economic planning, it is part of it. Wholly in that sense, we have proceeded and are proceeding, in theory and practice, from making full use of commodity production and its concomitant inevitabilities, rather than looking at it as a relic of capitalism that should have to be done away with as fast as possible in the shaping of socialist society. Commodity production and merchandise-monetary relations existed long before the capitalist mode of production and will exist thereafter as well. As history demonstrates, commodity production, merchandise-monetary relations and, hence, market relations are an organic component of the mode of production in which they operate. That also is so in socialism. "In the development of the planned economy in the GDR there has at all times since creating public property or even since its previous form (for example the trustee enterprises) existed this dialectic between social planning by the state and economic relations among socialist commodity producers. All economic processes have been undertaken by way of merchandise-monetary relations. The total economic reproduction cycle is unthinkable without these merchandise-monetary relations."³

This makes the market into a part of the effective and utilization mechanism of the socialist economic laws. Socialist production is a production for demand satisfaction which primarily proceeds via the market. In contrast to capitalism, however, the market does not regulate the social proportions, not being predominant in shaping economic relations. "The character of socialism and, hence, of its economy is not the consequence of a market but of public property and its use and augmentation according to plan, so that full employment, social

security, the unity of economic and social policies in short, can be ensured. That makes a world of difference between our socialist planned economy and the capitalist market economy."⁴)

As Comrade Erich Honecker stated at the 11th SED Congress, the GDR has a well functioning socialist planned economy system which—aiming at implementing our party's economic strategy—primarily encourages high-grade and low cost production proper as to demand.⁵

It is in line with our experiences and ideas that the state of development achieved and the further development of the socialist planned economy directly embrace the commodity-monetary relations and the market. The increasing importance of the value categories and of their evaluative and incentive function does not mean that market regulation is going to replace the plan. Through the plan we fashion the social conditions concretely. Planned control at the social range, authoritatively based on the mandatory and directive character of the plan, remains an indispensable necessity to be able to carry out the scientific-technical, economic and social change processes on behalf of society and the working people. A self-regulating market mechanism in place of the plan would lead to the consequence that the market determines also the social conditions and bring about a negative social differentiation. Then the unity of economic and social policies would go by the board. Having the market replace the plan would be a utopia, "a perilous one for that matter which, with great losses, would founder on the realities of life."⁶

The scientific-technical revolution, the inevitable growth in the social character of the productive forces, raises the place value of overall social planning, including the directive nature of central state planning for economic structural development. High dynamics, great economic interlinkage and latitudinal efficacy, effects on all public domains, but also preparatory achievements from nearly all social domains make qualitatively new demands on an overall social control over these processes. Practice has demonstrated the market cannot assure that—neither in socialism nor in capitalism. Expert central state planning thus is no disadvantage but a key issue for speeding up the scientific-technical revolution and enhancing our competitive capability.

A crucial criterion of the GDR's planned economy under the conditions of the continuing shaping of the developed socialist society lies in the dialectic between the state's total social planning and the economic relations of the economic units as commodity producers. As to the economy, the economic implementation process of commodities produced and services, the economic interests and impulses of the economic units, and the economic proportionality relations, the relation between plan and market plays a special and increasing role. That applies especially to the supply and demand ratio, on which the

conversion of economic performance into collective and personal demand satisfaction and the channeling of these relations through the market significantly depend.

Thus in the socialist planned economy, the market is a given coming with requirements that have to be taken into account more and more. That primarily calls for more flexibility in planning and a higher reaction capability to market requirements. With the conversion to comprehensive intensive expanded reproduction, the recognition and information function of the market, for one thing, gains much greater importance to make planning more expert; and then also, in the implementation sphere itself fundamental processes take place that presuppose a higher quality of planning.

If one examines under these aspects the GDR's development since the 1970's, a crucial sign for the upward development of management, planning, and effective accountancy would be to provide for the commodity producers, mainly the combines and enterprises, favorable conditions for their assuming their economic responsibility.

The Somersault of the Commodities on the Market

The socialist planned economy pertains to all phases of the social reproduction process, its whole cycle. Demand satisfaction through consumption, insofar as it must be paid for, comes through the distribution of the goods that have met with market acceptance, which have to perform their somersault, as Marx put it. In 1987 in the GDR, 62.2 percent of the national income went for individual consumption, which had to be paid for mainly out of the monetary revenue of the population. By using his monetary revenue like that, the citizen decides on the satisfaction of his individual demands. This explains that the market plays an ever increasing role for planning, mainly by grasping salable demands, concrete in terms of volumes, assortments, quality, and prices. For that reason our efficient retail trade is further expanded systematically in conformity with market requirements and becomes motivated toward high efficiency through effective accountancy. The point is to develop the production and distribution spheres so that the variety of demands can better and better be satisfied.

In 1987 there were 644,573 persons employed in the GDR's socialist consumer commodity trade, most of them in state trade enterprises. A noteworthy share of the retail trade turnover comes from the consumer cooperatives, which are traditionally closely linked with the rural and urban working people, offering their some 4.6 million members a broad field for democratic involvement. Especially for the rural population the trading through the Farmers' Trade Cooperative makes a big difference, which is owned by more than 600,000 members of the Farmers' Mutual Aid Association. Along with the state-owned and cooperative enterprises, private retail merchants and tradesmen also help satisfy the growing demands; they have equally sound prospects in

the GDR as the private and cooperative crafts. The circa 25,600 private retailers alone have an annual turnover of goods at a clip of approximately M 10 billion, which is 8.5 percent of retail sales. Some 20 percent of all retail stores and 41 percent of all taverns are run privately. The cooperative and private crafts with some 420,000 employees, whose services and repairs are indispensable for the population, also enjoy government promotion. In 1985 that came to a value of some M 4.9 billion; these figures will go up further in the years ahead.

Though socialist public property predominates in the GDR, it does not mean that other forms of property are placed in doubt or exist marginally. That is true especially of the socialist cooperative property. Some 9.1 percent of those employed in the economy were working in cooperatives in 1987. Especially for agricultural production this kind of property is of advantage, for which reason of the 6.2 million hectare of agricultural acreage in the GDR more than 5.3 million hectare are taken care of by the LPGs [agricultural producer cooperatives]. Thanks to its cooperating with state-property, cooperative property can fully develop its socialist character and potentials. Principally the cooperation among autonomous economic units in the cooperatives helps turn agriculture into an applied science branch.

As much as in industry, agriculture, and domestic trade, effective accountancy, thinking and acting along cost reduction and profit-making aspects, have also long and steadily gained in importance in all other economic sectors as an economic management principle. The planned structure we give to our foreign trade activity often encounters abruptly changing conditions on the world markets. Some 50 percent of the GDR's national income is in its use-value structure transacted through foreign trade. In the nonsocialist as well as the socialist economic region, export business (and thus import opportunities) can be transacted only if we meet the market requirements, whereby we also get growing possibilities to affect the market actively. The practice proven for years that the producers get the proceeds obtained on the foreign markets—after the currency rate conversion—has notably heightened their interest in selling lucrative export commodities at proper market prices, and the responsibility of the general directors of the combines for bringing in currency works in the same direction.

Conscious Utilization of the Value Law

Within the scope of socialist planning, market requirements are met especially through the conscious utilization of the value law. Its conscious utilization through prices marks one of the most important proportionality conditions in the socialist planned economy. In particular, also domestically the demands are growing that are being made on price-setting in line with the socially required labor effort and trade equivalency, i.e. the utilization of the productivity-promoting effect of the value law. Market equilibrium, or the balancing between

supply and demand, is socially acceptable on a permanent basis only through productivity and efficiency boosts and attainable through more suitably met demands.

What it actually amounts to is "to stabilize the high standard of living in the GDR at a high level of industrial and agricultural production, to boost it even more, and always to make sure that money is of value among us, that one can in fact buy something with money."⁷

The decisive function of the value law lies in constantly tracing the individual (industrial) labor effort back to the socially necessary effort in its two meanings: as expenditure that conforms to the "socially normal production conditions available and the average social degree of skill and labor intensity"⁸ and as expenditure that conforms to the "volume of social demand to be satisfied by the given product."⁹

The point in making more use of the merchandise-monetary relations in the socialist planned economy precisely is to reach productivity increases and proportionality. In these terms the SED Program puts it like this: "For further perfecting management, planning, and economic incentives, the deliberate utilization of the merchandise-monetary relations plays a big role. There is an increasing importance of the state budget, of money and credit and the pricing system for efficient production and the rational distribution and use of the social product and the national income."¹⁰

Socialist planning proceeds in terms of material and value standards, through which the merchandise-monetary relations, the products' form of motion as merchandise, are fully integrated into the planning of the reproduction process through the inseparable unity between use value and value. Particularly in this field much theoretical and practical work was done during the conversion to comprehensive intensification which, through the changes according to plan in industrial prices, construction, transportation, and agrarian prices, gave a better expression of real socially necessary expenditures, with regard to international price trends and to product availability possibilities. In this we let ourselves be guided by that proper prices become the precondition that "beginning with central state planning down to every job, one can compute realistically through expenditures and results, what our profit or loss amounts to, what enhances or diminishes our national revenue...Correct prices are necessary for economic accountancy functions as a whole and for the in-house manufacture of the means for intensive expanded reproduction."¹¹ To reach a higher degree of economic relations, the central task is comprehensively to implement the principle of in-house manufacture of means in marks and foreign exchange by the combines. Their own potentials for investment activity and scientific-technical progress thereby grow, depending on the economic results of intensification.

The in-house production of means and the heightened autonomous responsibility have political, business, and scientific-technical aspects. As to the political aspect, in-house production calls for a still higher effectiveness of socialist democracy, which makes still more urgent the working people's close ties with the property they are working on concretely and with its use. After all, in-house production is not just a financial question but is closely linked with a further activation of the political system and the working people's active influence on high results, good qualities, and low costs. The growing autonomous responsibility of the combines and enterprises also enhances the weight and possibility of bringing an influence to bear, by way of socialist democracy, on economic development in the combines as well as on the national scope. For that reason autonomous responsibility concerns not only the relation between plan and market, but a principle of socialist democracy—the further implementation of the proprietary function.

The business aspect signifies that in-house production aims at a high profit for society, of which the combine itself is to receive more directly as well for its further development. We are taking a course here that combines structural development and decision-making leeway with the availability of means. This gives rise—step by step, of course—to entirely new opportunities to move ahead for the manager, as more than ever, after all, he will be motivated, in fact actually pressed by economic circumstances, to make much more of cost reduction and the further development of the performance principle; for in-house production without in-house responsibility for the interests of men, the collectives and individuals, and without a further development of the performance principle, does not lead to success.

It is equally unimaginable that combines can manage the application of in-house production without computer-aided socialist industrial management; for efficiency is obtainable only through great accuracy, through clear data analysis, with skillful decision preparation and implementation, which just is not possible without computers.

Considering the role of the foreign markets, it becomes clear that in-house production also has to do with the relation between plan and market. Through the plan we want to push the entire social development ahead—which includes demand satisfaction too. That requires, however—and this for the by far largest portion of our manufacture—that the customer specifications are properly met on the market, on which depend the volume of means produced and the return from them.

The scientific-technical aspect lies in that the product and technology level is becoming increasingly decisive. It follows that for effectively shaping the reproduction process the effective connection of science and technology with the investments becomes a key issue.

We assume that within the framework of the socialist planned economy the combines with their enterprises get better conditions for shaping their reproduction process and their own interest in efficiency improvements climbs further. Provided with a high responsibility of their own, they are the actual subjects of the economy, the pillars of the socialist planned economy. For that very reason must the ministries and other central state organs "more consistently focus on the combines' grown economic responsibility and establish clear economic criteria and economic conditions for it."¹²

The objectively given economic responsibility of the combines gets a stronger economic premise from the in-house production of means. Through the essential step toward further developing the management, planning, and effective accountancy system that was taken thereby, still higher importance attaches to profit as a source for the combines' intensive expanded reproduction. Connected with this step, however, is the need to improve the state planning parameters, ensure the basic economic proportions, and perfect the performance principle—down to each and every working person.

Through perfecting the combines' operations toward more in-house production, one intends to achieve more top performances through science and technology while making more use this way of more efficient investment activity. These processes must be implemented on the basis of an economically acceptable production and export structure. A modern socialist industrial management that uses electronic computer technology, which enhances the combines' flexibility and shortens operational time-frames in production, whereby stocks and costs are reduced as such, is a decisive condition for a well functioning fund turnover. That kind of procedure accords with the high level of production and labor socialization achieved in the GDR and with the developmental level of the productive forces and production relations required for the further development, according to plan, of public relations. Cooperation relations must be organized in such a way that they take the interests of the end producers and the ancillary suppliers into account and improve the flexibility in drawing up balance sheets by fully exploiting the potentials of modern computer techniques, while the role of the contract is bolstered even as early as in the plan drafting phase.

Our Planned Economy Knows Neither Labor Nor Capital Markets

We must still emphasize in a different context that the use of the merchandise-monetary relations is integrated into the implementation of the party's overall concept on the shaping of the developed socialist society. The 11th party congress defined our integrated economic and social policies as our main battleground. From that position we reject setting up a "labor market" and agree with the views in the USSR that what characterizes the

capitalist market is that it is not only a market for goods and capital, but also a market for labor power with its pitiless laws and chronic unemployment.

An effect of the market laws, which comes to that more or less directly or indirectly, would be incompatible with socialist principles. Incompatible with socialism is separating man as the proprietor of the means of production from controlling them in practice and from further developing them by men. A "labor market," however, presupposes such a separation, whereby it undermines the proprietary function and the proprietary consciousness of the socialist producers, thereby renouncing an essential advantage of socialist production relations. And more than that: For socialism man's productive force in action always also is a result and property of his personality development and is, therefore, also a concern of the humanistic nature of socialism. Unimaginable, however, is a personality development apart from the production process, detached from the modern insights in natural science, from technology, from economics and its embodiment in the conditions and targets of the reproduction process. Not detaching man from modern production organization, but integrating him into it, not separating man from the performance principle by excluding him from production, but the consistent application of the performance principle, the furthering of individual human capabilities in the production process, the shaping of new attitudes in consequence of new demands for order, discipline, the ability to cooperate and the readiness for education under modern production conditions serve personality development. Setting up a "labor market" increases tendencies of job competition, which contradicts the socialist cooperation among producers. The right to work is a genuine right, one of the most important social accomplishments fought for and won by the workers class. It is ensured by the dynamic development of the economy, the decisive source of which, in turn, is the productivity of the social total worker and the cooperation, according to plan, among the members.

How the demand for higher productivity through cut-back in jobs while fully protecting the working people's social benefits can be satisfied, is demonstrated by the Schwedt Initiative. In this fashion of coping with the key technologies, the development, mainly, of the qualitative side of the social labor capacity is closely linked with the basic values of socialist humanism. For this remains an irrevocable principle to us: full employment is an unalterable value of socialism.

Our position on the labor market by analogy also applies to the "capital market" that is being discussed in some socialist countries. The discussion of this market, by which one means rather diverse processes, to some extent relates to the intrinsic loss of purchasing power of a given currency. If an annual loss in purchasing power exceeds the interests for savings, savings will drastically decline since their purchasing power declines as well. If one still wants to use part of the public's monetary

revenue for the accumulation (to neutralize it thereby as a demand factor on the consumer market), one must, e.g., offer higher interests through issuing obligations or in other ways. This problem is not encountered in the GDR economy; savings have rapidly increased even in recent years. The basic concern in issuing obligations and shares is, however, not a different form of savings or public saving accumulation, but the creation of a money market on behalf of higher capital mobility, which does not preclude acquiring means for expanded reproduction even through stocks of the indigenous population and of capitalist corporations. The ideas and forms developed about that do not, however, indicate their suitability for being integrated into the overall concept of socialist economic management.

Of course, with respect to the effect of credit and interest, our economy also has to solve problems. For instance, it lies within the logic of the in-house production of means for expanded reproduction that resorting to credits and the accumulation of temporarily free funds will increase in the banks. That enhances the possibility to bring influence to bear on the reproduction process of the state-owned enterprises and combines but also on the cooperatives and private crafts and trades through flexible interest and repayment conditions.

Gradual Formation of a Common Market for the CEMA Countries

Increasing importance is going to attach to the questions of a more effective and flexible running of the reproduction process in the further shaping of the socialist production relations in the GDR. That applies especially to the gradual formation of a common market of the CEMA countries, to which the GDR will make its own contribution.

In the cooperation among the CEMA countries all forms of the international division of labor ultimately lead to a commercial exchange across borders. The market of the CEMA countries embraces as a concrete sphere of commodity distribution the totality of the procurement and realization conditions of the goods and services traded within and among the CEMA countries. Buyers and sellers face each other, producers, users or their foreign trade organizations. These relations are part of the planned socialist economies, whose national plans are correlated through plan coordination.

The gradual formation of a common market for the CEMA countries presupposes as a long-range task a high developmental level of the domestic markets and reciprocal foreign market ties. Such a common CEMA market will come about all the sooner the more within each socialist country the indispensable prerequisites are created for it. They include, in particular:

—A high level in meeting demands (purchasable requirements) for means of production and consumer goods so that one can step by step proceed from a demand to a

supply market. This includes considerations on gradually opening the domestic markets (means of production and consumer goods) for other CEMA member countries;

—use of money as the general equivalent based on an equilibrium between purchasable demand and the funds of stocks available in the countries;

—approximately identical ideas in the countries about their taking part in the worldwide division of labor; and

—a far-reaching alignment of the social policies in the CEMA countries.

The common CEMA market in this sense is an outcome of the efforts in all countries. Efficiency will increase in each and every socialist country to the extent that within each country the objective conditions are created for the common market.

With the changes in the national management and planning systems of the CEMA countries, the economic units get larger opportunities to use socialist international division of labor for intensifying their reproduction process. The development of direct relations—based on the plan and signed international contracts—creates the basis for a new quality of cooperation. The gradual formation of a common market accompanies and promotes the development of economic relations also with nonsocialist countries, with whole economic blocs (EC), is thus an important condition for improving the efficiency of foreign economic relations also with the nonsocialist economic region. More efficient economic relations with the nonsocialist countries demand that the CEMA countries reach leading positions in decisive areas of the scientific-technical progress. This way embargo measures become ineffective, and the cooperation capability of both systems is improved.

In all our decisionmaking we assume that the reform process initiated in the early 1970s by the SED is no 1-time act and is neither limited nor finished in time. You can ensure a dynamic development of the economy and society only if it is rigorously continued in each new developmental stage. For the management and planning system this means always to connect with each other the fast productive forces development, the effort for high economic efficiency, and the kind of social progress that conforms to socialism. The criterion for the effectiveness of developing the economic management system, especially also for the matching between plan and market, ultimately always is found in economic and social results. Socialist society is the first society that must deliberately bring to bear the impulses for its own development. In this sense then it is the working people's activity and performance readiness on which the further implementation of the SED's social strategy depends.

Footnotes

1. Comrade Erich Honecker, "Mit dem Blick auf den XII. Parteitag die Aufgaben der Gegenwart loesen, Aus dem Bericht des Politbueros an die 7. Tagung des ZK der SED" [Solving Current Tasks with a View to the 12th Party Congress—From the Politburo Report to the 7th SED CC Session], Dietz Verlag, Berlin, 1988, pp 12-13.
2. DIE ZEIT, Hamburg, 11 November 1988, p 28.
3. Guenter Mittag, "Die Arbeit der Partei zur Verwirklichung der vom XI. Parteitag der SED beschlossenen oekonomischen Strategie" [Fulfillment of the Economic Strategy of the 11th Party Congress], Dietz Verlag, Berlin, 1986, p 58
4. "Solving Current Tasks...", op. cit., p 48.
5. "Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den XI. Parteitag der SED" [SED CC Report to the 11th SED Congress], Dietz Verlag, Berlin, 1986, p 44.
6. Kurt Hager, "Our Way and Our Goal," NEUES DEUTSCHLAND, 29/30 October 1988, p 10.
7. "Mit dem Volk und fuer das Volk realisieren wir die Generallinie unserer Partei zum Wohle der Menschen, Aus dem Referat auf der Beratung des Sekretariats des ZK der SED mit den 1. Sekretaren der Kreisleitungen" [With the People and for the People We Are Implementing Our Party's General Line for the Well-being of the People—From the Speech at the Conference of the SED CC Secretariat with the Kreis First Secretaries], Dietz Verlag, Berlin, 1988, p 24.
8. Karl Marx, "Das Kapital," Vol I, "Werke" [Works], Vol 23, Dietz Verlag, Berlin, 1962, p 53.
9. Karl Marx, *ibid.*, Vol III, "Werke," Vol 25, 1964, p 197. 10. "Programm der Sozialistischen Einheitspartei Deutschlands," Dietz Verlag, Berlin, 1976, p 36. 11. Guenter Mittag, op. cit., pp 61-62. 12. "Bericht...", op. cit., p 45.

HUNGARY

Ganz Danubius Troubles Discussed 25000115 Budapest NEPSZAVA in Hungarian 16 Jan 89 p 4

[Interview with Ganz Danubius president Adam Angyal, by Robert Gal: "They are Independent Since 1 January—Already at the Start There is No Money"; date and place not given]

[Text] If by virtue of a miracle founder Abraham Ganz were to be resurrected, he would be ashamed because his successor has damaged the reputation of a trademark welcome in many parts of the world. At one or another

point in time every part of Ganz ["everyone"] was reorganized or liquidated for losing money or for simply going bankrupt. We conversed with Adam Angyal, President of the Ganz Danubius Ship and Crane Works not too long after reorganization, soon after the new, independent organizations began to operate.

[NEPSZAVA] Oddly enough, the company's old sign is visible above the Vaci ut entrance, even though you started this year with a new organizational setup.

[Angyal] We have no reason to paint over the sign because Ganz Danubius Ship and Crane Works continues to be a state enterprise. But on the basis of authorized, autonomous decisions, its factories and offices are operated in the form of independent business organizations.

[NEPSZAVA] What caused the mass bankruptcy which grew over the years?

[Angyal] In my view, the general reason for almost going bankrupt should be sought in Hungarian industrial development and entrepreneurial organizational policies, or, I could say, in unsatisfactory economic policies. A long time ago the Ganz syndicate was the citadel of heavy machinery manufacturing. It pursued modern marketing policies already 50 or 60 years ago.

[NEPSZAVA] You called my attention to an advertisement from that time before the interview.

[Angyal] Yes, because that advertisement states that given the blueprints, Ganz will undertake [turn-key operations, including] the manufacture of any machine or component part, the planning of complete installations, and the start-up of machinery installations. At one time Ganz claimed: There is nothing anyone could ask we could not do. Ganz had the technology, excellent skilled workers and engineers, and what's most important, the entrepreneurial spirit.

[NEPSZAVA] Is your present position worse than it was say, in the 1930's?

[Angyal] We can no longer advertise that we will plan and manufacture any plant on the basis of blueprints. This is so because our technical, technological and intellectual preparedness, and not least, our entrepreneurial culture is backward compared to the Ganz of those days.

[NEPSZAVA] During the past years you took advantage of every forum and every opportunity to chastise the inconsistencies of economic policy. A good number of your recommendations were followed. Your reaction was understandable because Ganz Danubius fought a valiant battle in order to stay on its own feet.

[Angyal] I could be satisfied if I viewed only the subjective aspect of my reactions. Unfortunately, the projection made by the entrepreneurial sphere has, to a significant degree become a reality. We were able to do only one thing: to delay the damaging, destructive effects of economic management. The fact that the factory survived for 153 years represents some success. But the last ten years demanded a heroic struggle. And although many thought they had witnessed the demise of the Ganz [enterprise], the accumulated industrial culture, the intellectual background and tradition could still be sufficient for renewal.

[NEPSZAVA] Structural change is accompanied by the termination of superfluous, not profitable sectors. One must seek new, more profitable branches in their place. This is also what you are doing.

[Angyal] I frequently hear the suggestion that we enter the banking field, foreign tourism, and all kinds of other things. I can believe in the renewal of the Hungarian economy only if such a renewal does not exclude the processing industry, or if it takes place without damaging the processing industry.

[NEPSZAVA] Where do we stand with the reorganization of Ganz Danubius?

[Angyal] We have understood the message of the times. We have understood that the enterprise cannot function as it did earlier. We have understood that structural change must be forced upon ourselves. We have understood that our markets and sources of income—for example the Soviet market—are in a state of decline. And finally, we have understood that our economic production—primarily our profitability—is at a very low level, and that we experience difficulties with self financing.

[NEPSZAVA] Accordingly, you have taken note of the choking grip of circumstances, and for this reason you have placed some constraints on your factories.

[Angyal] Yes, and under these constraints we will find out whether each of these factories is able to stand on its own feet. How did it go before? We took away the money from those who worked well, and gave it to the weaker ones. For this year we reorganized each of our factories into an independent entity. All of them, because rationality suffered a defeat as a result of the decision rendered by the enterprise council. We have debated for quite some time whether each factory should be given the opportunity of providing proof, or only those which we knew would be viable. I took note of the decision rendered by the enterprise council: Everyone obtained the right to pursue an independent life.

[NEPSZAVA] The correctness of the decision may be proved or disproved in the coming years by judgment rendered by the marketplace.

[Angyal] We will find out already in 1989 whether our factories can procure materials, and whether they can pay wages and operate. The starting positions are the same as they were last year with respect to the large enterprise. They are not better. In earlier days Ganz Danubius was always able to collect the money it needed. Already today, in the days of starting up, a few of our factories do not have the money needed to operate. This is due to a lack of credit, and the lack of confidence that would be manifested by creditors.

[NEPSZAVA] They have not even faced the marketplace.

[Angyal] Securing capital, credit or confidence already constitutes a maneuver in the marketplace. In these days many of my factory-president colleagues have come to my office. They have asked me to help obtain credit. We will help; at this point we are still providing assistance.

[NEPSZAVA] Altogether how many independent business organizations came about on 1 January 1989?

[Angyal] The earlier large enterprise was broken up into seven producer and one service-stock corporation, as well as into six limited liability corporations [KFT] of a service provider character.

[NEPSZAVA] How much blood was shed in the course of reorganization, how many people did you have to let go?

[Angyal] There were a few who were not claimed by any one of the new organizations. We gave them notice. We did not stay away from granting early retirement either. Before there were 700 workers at enterprise headquarters, today there are only 38. Many of them—plant organizers, technical controllers and buyers—transferred to the KFTs. They will be able to make a living if there are orders; they will become superfluous if there are no orders.

[NEPSZAVA] What is your role in the new setup?

[Angyal] Also I had to acquaint myself with a number of new things. I am no longer the number-one leader of several thousand people. Thus far we have been thinking in terms of production values and export volumes. Now we must consider what we have, i.e. how much capital we have and the size of our assets. The several billion forints entrusted to me by the state are in the form of shares, of a deposit.

[NEPSZAVA] Accordingly, you are a capital shareholder in the business organizations, and a member of the board of directors. You can therefore discard the classic methods of leadership: direction, organization, hearing reports.

[Angyal] Exactly. I often feel like picking up the pen and directing that things should be done this way or that way, but I cannot do so. One of the yardsticks of independence is the extent of our ability to restrain ourselves.

[NEPSZAVA] What will happen to the debts accumulated over the years? They should be repaid as soon as possible, after all.

[Angyal] We did not transfer a significant part of the debt to the newly formed factories. We retain those here at headquarters. Our present dilemma is that at face value we have several billion forints of capital, while on the other hand our indebtedness is high. But we do not have a profitable productive activity out of which we could repay those debts.

[NEPSZAVA] There are no secrets in the thinking characteristic of market oriented capitalists. They will not withdraw capital or dividends from factories believed to be of strategic value. They let those operate. On the other hand, they withdraw everything from factories they do not like.

[Angyal] This is the kind of policy we would like to pursue. We are trying to assess the directions of the market, of development and of the global situation.

[NEPSZAVA] What can be expected this year from the independent factories of Ganz Danubius?

[Angyal] Under any circumstances, 1989 will be a watershed year. We will find out that a few of our factories are unable to operate—they will have to be liquidated. Renewal may have to be accelerated perhaps by a change in leadership. We established ourselves only a day or two ago, and I can see some favorable signs already. In terms of outlook, for example. At this point the actions [of the leadership] affect its own pockets. For this reason the leaders give more serious consideration to their actions. It is here that I see the greatest reserve.

Budget Reform Guidelines Outlined

25000105 Budapest FIGYELO in Hungarian
26 Jan 89 p 3

[Article by Mihaly Kupa: "The Outline of Budgetary Reform"]

[Text] Back in the fall of 1987, at the time when the tax laws were adopted, a National Assembly resolution mandated the government to develop a budget reform program, and to submit the same in 1989 to Parliament. It is apparent that this area, with all the problems that have piled up for years, cannot be solved by assigning a target date, on the other hand, the budget reform process cannot be unduly extended either. The following article presents conceptions related to budget reform. These should be viewed more as the author's views, than as an official document.

It is very simple to define the goal of budget reform. The economic, societal and proprietary roles of the state require an in-depth reexamination. They must be made responsive to the requirements of a market economy which is coming (will be coming) into being in the framework of socialist social and economic conditions. Accordingly, with its peculiar effects, the budget, too, must serve the economic and political reform process.

The substance supportive of this purpose [budget reform], however, is rather rich and multifaceted. It includes entirely new methods of economic planning and management, notably the fact that a difference in the functional role ["division of labor"] of the fiscal and the monetary spheres must be recognized. The essence of this is that a system using monetary means must be developed, while the utilization of fiscal means declines. At the same time this also means a significant decrease of state intervention—the regrouping of income—in the competitive [market] sphere of the economy, while the remaining "intervention" is built on a long term system of guarantees.

But reform has yet another goal of equal value and significance. It is to provide professionally defined and quantified social services which maintain their value in areas "outside" of the economy: in the relationship between the state and the population (health care, education, social security, housing policies, etc.) These social services must replace the never before fulfilled ideological and idealist promises (of which more than one was proclaimed even by law—a good example for voluntarism). (The scope of these social services will be smaller than in the present system, but the services to be provided will not lose their value.)

Another important goal is to reassess centralization and decentralization in the performance of state functions. This must take place in four relationships: between the state budget on the one hand, and the councils and social security on the others; between the central budget and the so-called segregated state funds (e.g. the Technical Development Fund [MUFA], the Specialized Training Fund, the Environmental Fund, etc.); between program funding and program management; and in the management of budgeted institutions (or institutions which utilize budgeted funds).

One area of budgetary reform which must not be neglected pertains to the establishment of a modern planning, management, accounting and control system which renders the obligations and revenues of the state available (and comprehensible) to the public, one which can be controlled by society.

The Limits of Reform

The realization of budgetary reform goals is largely defined by "external" factors. Among these the primary factor is the progress made in the general political and

economic reform process. In this respect the expectations of both the population and of businesses are equally contradictory: As a result of the reform process they want to rid themselves to a maximum extent from the paternalistic regulation of the state, while at the same time continuing to count on the state budget in regard to the resolution of any of their concerns. All this is topped by the fact that there is an obvious tension between the short range "constraints" on economic policy (balance, external debt financing, the burden of earlier decisions and commitments, etc.) and the long term interests (structural change, the liquidation of areas which are hopeless in the long run, stimulation of the economy, changes in integration, etc.). Accordingly, these are the most important background elements which are influencing progress in budgetary reform, and which are provoking heated debate. This is understandable, because reform itself represents a rearrangement of tasks and revenues between the population and businesses that is not without pain.

Before going on it would not hurt to clarify just exactly what is affected by budgetary reform? Since the reform of state functions—and of the revenues which finance those state functions—is involved, we must take into consideration essentially all of public management. Today's scope of public management is rather complex and does not correspond at all to the budget the National Assembly debates each year. Beyond the state budget proper, in 1989 it includes council budgets, segregated state funds, independent social security (it is uncertain whether this will always be a part of public management), and state obligations financed indirectly relative to the State Developmental Institute [AFI] (e.g. payment of enterprise indebtedness accepted by the state) and to the Hungarian National Bank (e.g. Bos-Nagyvaros). Accordingly, more appropriately, budgetary reform should be understood as "public management" reform, because the state budget is affected by the above enumerated areas in one way or another.

The essence of the conceptual orientation of reform is the decentralization of state functions by "handing down" those functions to the population and to the enterprising sphere, and the regrouping of these functions so that social and sociopolitical service deliveries maintain their value. This is to be accomplished by radically reducing state economic intervention. This simple definition contains many different kinds of changes.

In the framework of budgetary reform it appears necessary to proclaim and implement a 3-year tax modernization and harmonization program. The key issue in this regard is the moderation of tax rates by tightening tax exemptions and benefits (in regard to enterprise profit taxes, value added taxes [AFA] and personal income taxes [SZJA] as well). In this respect the relationships between social policies and the various tax systems must be clarified, as well as the purposes for which the state may provide advances on future income (production and

investment tax benefits) through tax benefits. In the context modernizing tax systems it is yet to be decided whether the SZJA system will be exchanged for a family income tax system.

The tax program is closely tied to the subsidies reduction program submitted to the National Assembly for informational purposes. In the framework of the subsidies reduction program only societally justified and protectionist (e.g. agricultural export) subsidies would continue to exist. In this regard it must be clearly understood that certain needs (long distance personal transportation, local mass transportation, pharmaceuticals, etc.) cannot be satisfied purely on the basis of market forces. At the same time it is equally clear that approaching these subsidies on the basis of costs, i.e. requiring that the competitive sector recover these costs from the consumer, cannot be accomplished for two reasons. First: this approach would conserve the production structure, and second: it would not improve the efficiency of the subsidized field. (The 1989 model, i.e. the transfer of responsibility for the financing of subsidies to the population cannot be repeated. An increase in coal prices, for instance, will not thrust the population into a "competitive situation." People must purchase coal, and only the loss incurred by the mining industry will be transferred from the state to the population. The situation would be different of course if there were a choice between alternative energy resources.)

It is the joint purpose of modernizing the tax system and of reducing subsidies to decrease state income centralization and the regrouping of income, and to reclassify a certain part of income for social and sociopolitical purposes. (Quite naturally, another fundamental goal is to provide additional income to workers and enterprises manifesting outstanding performance.)

Deteriorating Service Provisions—Wasteful Economy

The third significant area in the relationship between the state and the economy is the reduction of state participation in development projects and investments. In this regard the following should be considered:

—direct state participation in developing the competitive sphere must be transferred to the monetary sphere;

—it is appropriate to realize indirect state participation in hopes of future revenues in the form of tax benefits and capital investments (e.g. stock corporations);

—the state must be prepared to—and must have a program for—enter into activities organized on a business basis by enterprises (state industrial or structural policies), but in this area, too, the direct acceptance of obligations should be avoided; and

—it is likely that the state's direct and indirect role in developing the background of the economy must be increased (international background, infrastructure, the "importation" of modern technologies, integration, protectionism, etc.).

In the framework of budget reform it is necessary to prepare for a novel way of cultivating (regulating) CEMA relations. Using reality as a starting point, it would be appropriate to establish models for mixed cooperation (trading house, intermediary enterprise, state energy policy, etc.), based strictly on Hungarian economic interests. Somehow, these relationships should also be based on market forces (global market forces).

Of greatest concern in today's budgetary system are public social [service] outlays which affect the population directly (health care, education, social security, housing finance, etc.). In this respect the deterioration of service deliveries takes place along with wasteful management, while the users' opportunity for choice (control) is little, and not even considerations stemming from differences in income prevail.

Evolution [must] take place in several directions. First of all, a greater independence of the various service areas must be established (the separation of social security from the state budget as of 1 January 1989 is a good example); second, the mixed financing of such services (state, population, enterprises) must be made possible; and finally, the opportunity for societal control must be established. Several matters must be examined in order to accomplish this (for example, the true income situation and the stratification of society must be known). Once known, a corresponding assignment of state tasks and financing must be made so as to produce a system which maintains its worth. One can assume that the new system will render these service deliveries individually on a less costly basis, precisely because of the improved efficiency resulting from financial interest and control.

State functions must be clarified also in the area of education. It is likely that they will be limited entirely to general education. Mixed forms of financing must be adopted for specialized education. In addition to state (council) programs based on competition, the role of education paid for directly by the users (tuition) and indirectly by (scholarships) loans, by enterprises on the basis of their needs, and the independent institutional financing of education (e.g. by foundations and local autonomies) will increase. The funding of basic education must be accomplished in a manner so that it maintains its worth. Regarding specialized education and training it will be necessary to enforce state, societal as well as market requirements, in addition to the economic and professional independence of institutions. (All this, of course, necessitates the examination of the educational structure, above all: the structure of higher education.)

Housing is one of the most delicate issues facing Hungarian society today. Budget reform cannot take the place of "housing reform." All it can do is to prepare for the operation of a system of social subsidies, and to choose the means by which such savings can be accomplished, in addition to establishing market foundations for housing. It is apparent that all this may be operated fairly and efficiently on the basis of the income situation of those involved. It is equally and sufficiently clear that a decline in apartment building construction would have disadvantages not only from a social standpoint: It also could serve as the fundamental obstacle to workforce mobility which necessarily accompanies structural change.

As of now, the extent of the tasks and financing to be assumed by the state in the fields of culture and sports is rather unclear. While avoiding the basing of these functions purely on market forces, a solution based on programs, competition, etc. must be found which appropriately serves the mental and physical health of the population, and at the same time ensures free choice for individuals.

The Classic State

The most fierce attacks today are directed against the classic functions of the state, partly because of their excessive size (administration, defense, etc.) and partly because of their inadequate funding (basic research, infrastructure, public safety, etc.).

One discovers two evolutionary trends in the areas of administration, and the protection of public order and rights. On the one hand, state administration must be radically transformed and reduced, because the new social—and mainly economic—model is based largely on self-regulation, rather than on directives. On the other hand, one must count on the likelihood that economic (e.g. courts of registry) and social (constitutional law court, accounting office) democracy may increase the tasks and trained personnel within state administration. At the same time it is a fact that local autonomies may acquire increased scopes and tasks which may be performed in the form of "social work," thus relieving part of today's bureaucracy.

The distribution of state functions and state revenues among the various tiers of state administration (state budget, council budgets, social security, segregated funds) is one of the central issues of reform. In this regard the essential issue is the extent to which decisions concerning individual functions are based on income produced by these functions, or on income "received" [subsidies]. These issues are heavily debated as of today. One matter appears to be certain: Some decentralization must take place also within state administration. In other words, in regard to the financing of state functions, e.g. in the case of councils, we must ensure their own (local) means of revenue production (local taxes, community property, financial transactions, etc.) and the possibility

of making related decisions on the basis of such local revenues to a greater extent than today. On the other hand, regional, and other differences should be reduced not by subsidizing unfavorable agricultural production (this would serve only to preserve backwardness), but with the help of targeted and regional state programs based on competition.

The situation is worse in regard to segregated state funds. Their number is continuously increasing, and in many instances they "legitimize" themselves. So do the organizations which manage these funds. A large part of these funds provides for state programs, or for programs which qualify as state programs, and are outside the pale of parliamentary control. In this regard we are following two paths. On the one hand, funds which provide for functions which are clearly within the ambit of the state, will be restored as part of the state budget. On the other hand, the kinds of funds which provide for state functions by using modern methods of financing (competition) (e.g. OTKA [abbreviation unknown], Higher Education Development Fund) will continue to function, but in these cases the fund, as a legal form will be changed to program financing.

In the future the state will foster funds which result from the self-inspired activities of society, enterprises, (subject to certain conditions and requirements), and the state itself will not organize the population or businesses to become parts of some "fund." Accordingly, this solution points in the direction of associations. The state function—the monopoly of the state organization—will cease to exist. Both the enterprises and the population's associations or organizations may become service providers in regard to a defined area of state functions. This applies primarily to the economic, educational, health care and cultural areas. In order to accomplish this, consistent with the laws on business organization and association, there a category of nonprofit organizations (as enterprises which perform work not in the interest of making profits) must be established. A budgetary institution may be a peculiar form of such nonprofit organizations.

The Openness of State Household Management

The planning and control of state financial administration, and the release of related data also will change. The new system includes the current income and expense

balance, the balance of the state's debt balance and quite naturally, the balance of assets and liabilities. The role of the traditional (annual) people's economy planning process will be taken over largely by the management and the monetary system (this will be the governments financial plan). The planning of governmental action will be based mostly on laws, to be adopted by the National Assembly in the course of two rounds of debate and on an item by item basis. The establishment of the State Accounting Office appears as the obvious answer to perform control functions, this, however, cannot take the place the reexamination of today's somewhat messy system of program/financial and societal control.

Since the main elements of budget reform must become functional beginning in 1990, but not later than 1991, there will be a need for accelerated legislation. (As planned, this year we will submit proposed legislation concerning state management and the establishment of the State Accounting Office.)

In order to render the societal effects of budget reform tolerable, we will follow the basic principle of imposing a moderate burden on society while avoiding inflationary effects in the course of realizing budget reform. The essence of reform is that part of the imperfectly performed tasks—or those not performed at all—will be transferred from the state to the enterprise sphere or to the population. The required financial backing will be assured in a manner that the persons affected may decide how they wish to spend the excess revenues. It is also for this reason that the discontinuation of subsidies and the modernization of taxes is of outstanding significance. The resources thus acquired will enable the reduction of tax rates, which will then ensure the decentralized financing of state functions.

Along with the above one must not disregard the further radical reduction of state expenses. The concept of an open, controllable state financing system of programs, thus emerges, consistent with economic capacity.

The above described concepts are the subjects of debate, and cannot be viewed as official points of view. It is obvious that a number of expert opinions, the views [of various] interests, and in the end societal debate is needed for the development of the best, the most acceptable, and coherent solutions. This article too had as its purpose to serve these goals.

POLAND

Educator on Youth Values, Needs in Emerging Pluralism

26000314 Warsaw KONFRONTACJE in Polish
no 1/13, Jan 89 pp 6,7

[Interview with Prof Anna Przecawska, specialist in children's and youth literature and social education, director of Department of Social Education, Pedagogy Institute, University of Warsaw, by Slawomir Krasucki: "Slawomir Krasucki Talks With Professor Anna Przecawska"; date and place not given]

[Text] [KONFRONTACJE] Professor, you work with young people every day. One hears with increasing frequency that the situation among young people is dire.

[Prof Przecawska] Yes, and not just because of moods or attitudes. There is a crisis of values and a crisis in child raising, but I am far from giving an univocal evaluation of young people. They are sensitive; many would like to do well but cannot; they have not been accustomed to it. Adults are also guilty, perhaps even the previous generations. We have created conditions making it more difficult to make independent decisions; even now conformism is preferred. And then one makes demands on young people, accuses them. One cannot learn to swim without water.

[KONFRONTACJE] But the situation probably is not hopeless?

[Prof Przecawska] Quite the contrary. Now we have a great opportunity and we must take advantage of it. The situation of young people is a reflection of the situation of adults in society. If people have the freedom to associate, obviously on the condition of loyalty to Polish statehood, they will rediscover their own identity. Human beings have a moral right to act in organizations, associations they create themselves.

[KONFRONTACJE] Many activists in the opposition think that this is the only way out of the crisis. They say "let us organize, and everything will change for the better." This sounds unconvincing.

[Prof Przecawska] For overcoming the crisis is much more complicated. Freedom of association is only the beginning of the road. We must put into motion psychological and social mechanisms. If something depends on me, then action becomes worthwhile. I then have a sense that action is effective. A group of psychological factors develops that converts itself into material, moral effects, and these effects, in turn, serve people. In other words, freedom of association is the creation of the social and economic infrastructure. If a human being does not act in accord with his own intentions, he feels deprived of his own will.

[KONFRONTACJE] Let us assume that this "first step along the road" is behind us. At once the question arises: what should the optimal model, toward which we should strive, look like? How do you imagine the state in which you would want to live?

[Prof Przecawska] I see it on many levels. I will answer unscientifically: when I look at the country in which I live, I am sad. There is very little joy, spontaneity, "ease" in us. One can, obviously, ask: well what are we supposed to be happy about? But as a result, we see greyness and depression. We have little good will for one another. We do not have the habit of helping one another. Only some dramatic event arouses normal human solidarity. But do dramatic events have to mark out the course of our life?

What are the causes of this situation? I personally am psychologically most disturbed by what might be, but is not. The awareness that the existing state of affairs is largely due to our political and moral mistakes, our lack of imagination, our inability to think.

I want more of what happens in our country to depend on the people who live there. People are our greatest natural resource. They, however, do not live in conditions that permit them to make use of their potential abilities. For example, take the situation of young intellectuals. Until it is shown that thinking pays, we will not make use of our intellectual potential. In using the word "pays," I am thinking both of material terms and of a sense of personal satisfaction.

I would also like for everyone to trust everyone. It is precisely in this area of social life where the greatest mistakes have been made, and we all are paying for these mistakes. I do not like the concept of a division into authorities and society; thus, I would say: we have mutually deluded ourselves with words without any backing. Particularly the last 7 or 8 years have been overgrown with a mutual lack of trust, with personal animosity. This must change. I would desire that people could say freely what they think, on the condition that they do so in a way that does not insult anyone.

Finally, I want to live in a wealthy country. Using this expression, I include in it, however, differentiation into people in better and worse material situations. Elites are essential: cultural, intellectual, and financial. Without elites, there are no models. On the other hand, the wealth of a country guarantees society the social, cultural, and civilizational minimum. It ensures decent living conditions for old, sick, and handicapped people. It makes it possible to create conditions for intellectual, cultural and educational life which allow each individual to develop. Prosperity should be achieved through honest work, with the basic standard being assured for performing an occupation well. And thus, for example, teachers should be able themselves to buy books and journals or make foreign trips to broaden their horizons.

[KONFRONTACJE] A wealthy country is a vision close to the heart of every Pole. Where should we begin to realize this vision?

[Prof Przecławski] The kind of life should depend on the people living in the society. And there is no way here to separate politics from ethical principles, from universal moral norms. Governments should always be upright. It is not possible to assume, one and only one vision of social life with the certainty that it will make everyone happy. Freedom of association should lead to the creation of alternative programs of development in various areas of life in Poland. People must have a choice. Monopoly, the conviction of the people leading the state that they alone have the recipe for truth and the correct path, has destroyed us. Meanwhile, the pinch of uncertainty that others are right makes it possible to verify what you are doing. The more deeply we fall into crisis, the more various ways for overcoming it there should be.

[KONFRONTACJE] We are approaching pluralism . . .

[Prof Przecławski] . . . political pluralism. In the future I see no other road than a multiparty system. Social consensus must be open. I would not prejudice its ultimate result today. I am thinking here of an opening to alternative solutions, even, those which we do not yet foresee, which we cannot name yet. And we are concerned here with solutions that would be acceptable by all the "sides" participating, for example, in the roundtable, by all sides of the Polish "dialogue." Consensus must depend on compromise, which can be visualized given a dose of political imagination. We frequently lack this imagination, the ability to foresee the long-term results. Many groups tend to look at the end of their own nose, at immediate results.

[KONFRONTACJE] No one has taught Poles to see differently, and previous "teaching" has made people tired of politics. Thus, the decline in the roundtable in favor of a loaded table.

[Prof Przecławski] But there is no other opportunity than the roundtable. It is a form of reconciling among a large number of Poles. It is true that a significant part of society is not interested in politics. That is the case in every society. But this does not mean that one should not seek political solutions. For Poland, there is no other opportunity besides agreement on a vision, by politicians, of what we want to achieve and of how, the way we can achieve it.

[KONFRONTACJE] Under the leadership of the PZPR?

[Prof Przecławski] The party too must define what its leading role means, taking into consideration the voice of society. If ideology is to remain separated from reality, if that tendency were to win, it would be dangerous. If one wants to see the truth, one finds correct solutions. At present there are symptoms that many members of the

party are seeking other paths; the PZPR is not a monolith. It is only an apparently paradoxical statement: one comes out best in truth and uprightness. The entire trick depends on building a social system that is not in conflict with the basic properties of human nature. We must develop a new system of values founding political life. And this cannot be done without changing life, which in turn we cannot change without infusing it with a system of values.

[KONFRONTACJE] But this system does not yet exist. Meanwhile, young people are growing up—let us go back to the starting point—who soon will take over the decisionmaking centers.

[Prof Przecławski] I must admit that I feel some concern about this situation in spite of being convinced of young people's positive qualities. This concern derives precisely from the instability in the system of values, from the events which the young people have experienced in recent years. How well can they find themselves in all this? People in their twenties today are escaping from the influence of all social forces, perhaps even the church. They are not the "property" of the party or the opposition, perhaps fortunately. The younger generation must still find itself, its own face. The peculiar lack of ideals of the 1970's, with its artificial monolith, have also been an unfavorable influence on this generation. Young people will surely not allow anything to be imposed on them; thus, they themselves must define the goal toward which they are striving, and we must honor it, and if it is possible, help. We are endeavoring—I am thinking of the educators—to find a way out of the crisis in the system of values and authority, but this is a long road.

[KONFRONTACJE] Not just the educators are making an attempt "to do something." The December manifestation by the "Orange Alternative" and students ended with beatings of the participants. Next time, instead of contempt for the adults' system of values, we may be dealing with hate.

[Prof Przecławski] Instances of beating young people are criminal and should not happen. The young people were not only injured physically but also morally. It is also a dangerous political mistake, inciting mutual aggression. And aggression gives rise to aggression. The reaction to the "Orange Alternative" is also a shocking expression of a lack of a sense of humor. A sense of humor is a "method for life," which we in Poland, on the social level, need badly. Again a paradox, individually we react to every situation with a political joke. But the epoch of the Student Satirical Theater has unfortunately ended. We almost do not have any good cabarets or political theaters; thus, we have the "Orange Alternative." One should not fear laughter, which is something different from what we have encountered until now.

[KONFRONTACJE] Street demonstrations and reactions to them really are not educational. Where should young people be educated politically? In the plants?

[Prof Przecławski] The case of political organizations in plants is overgrown with myths. The essential point has been lost here. The plant fills many roles in the life of a human being; a community is created in it. We have so far not succeeded in artificially creating a local community, for example, in the residential areas of large cities. If there are individuals in the plants who want to belong to political organizations, they should have the opportunity to do so. This means that I would not remove the political organizations—the party or allied parties—from the plants. They create the atmosphere a working person requires: a sense of security, membership. But this does not mean, that I think that the terrain of the plant as such is the appropriate place for conducting political life in the sense of solving political conflicts. Work should not be subject to any political pressure; it cannot be the site of political maneuvers.

I do not think that removing political organizations from the plants is correct, but I also do not think one political organization should have a monopoly in the plants. We have only come a slight distance in the area of sociopolitical pluralism. What should it look like? More needs to be said about it. We should observe social needs and draw conclusions from them. People want the plants to be their place of work. Thus, we must give it human characteristics.

[KONFRONTACJE] Many workers in smaller and larger industrial plants also desire to see NSZZ Solidarity in their plants. Should it be one of the political organizations?

[Prof Przecławski] Solidarity during its period of legal activity (I am offending some people surely) was not an ordinary trade union, but a political organization. Something was functioning in place of something else; it was a substitute for a political organization. And this was not a proper view. The place of political struggle is in the press, television, radio, and, finally, the parliament. Trade unions, on the other hand, serve other purposes.

Has Solidarity matured to the role of a trade union? It is possible to say, first, Solidarity has evolved, and second, conditions have changed. There is a relationship

between the conditions and self-awareness. In my opinion, the situation has finally matured enough for pluralism to clear the atmosphere. The failure to satisfy the natural, justified need for respect, for a sense of one's own identity, causes tension.

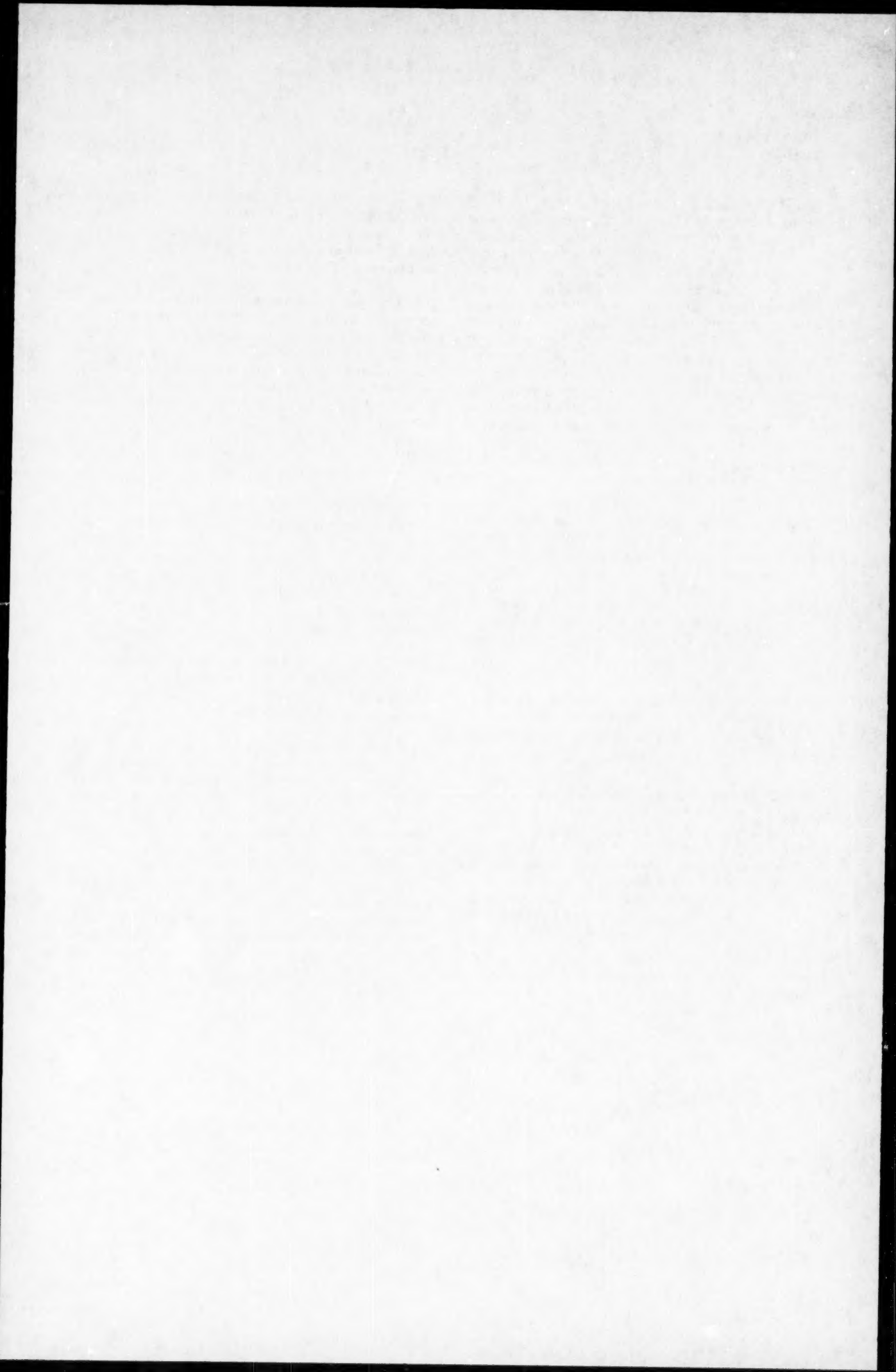
If Solidarity is to have its own identity, not an imposed one, and also if it is not the only place in which one can manifest a different opinion, then its role will be different, and the atmosphere will be calmer. As regards its structural and organizational characteristics, I still cannot say what this union should look like. That should be considered at the roundtable. No form should be rejected in advance.

[KONFRONTACJE] And how should the ferment in the academic community be reduced?

[Prof Przecławski] What I said about Solidarity also applies to the Independent Student Union, which is the only road to reconciliation with some groups of young people. Why should tensions be created artificially? In any case, I think that there should be more, a greater variety of, organizations and associations for academic youth; so that they satisfy the social and political aspirations of the academic community.

[KONFRONTACJE] A general program, the absence of which we all feel every day, is slowly arising out of our conversation. Professor, what do you expect today from the authorities and the opposition?

[Prof Przecławski] Specifically, a concrete program, or more appropriately, programs. The government of Mieczysław Rakowski has presented the general outlines of a program, but, at present, it is mostly making up for the damage and mistakes of its predecessors. And properly so. But the authorities and the opposition should present alternative programs, taking into account the potential variation in the development of the situation, drawing on their knowledge of social needs. Pluralism must be translated in the language of groups and circles articulating their needs. It must be seen in a dynamic light. In particular, I would encourage the opposition to present its program. We need a fresh view. There should be a choice. We should expand the rational prerequisites for making social decisions, the most correct ones.



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